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GIVEN BY

Estate of W. W. Sheildon.

Wheildon, W.W. comp.
Papers &c relating to
the Hoosac Tunnel.

Estate of William W. Wheildon
Sept. 21, 1896

Papers, &c

*

1650a 1/3

Relating to the

Hoosac Tunnel, its Construction

and Proposed Consolidation

of the Line, namely the

Fitchburg Railroad

Vt & Mass Railroad

Troy & Boston Railroad;

and

Proposed Consolidation of the

Fitchburg & Lowell

& Railroads

Collected, Arranged and partly

written by

William W. Wheildon,

one of the Counsel in behalf of the

Fitchburg Railroad

1873—4.

C

590

121614 BCJ MS

Apr 2. Mtd. Constn to R. d. of B & A. 02. with B.B. Mass.

" not exceed any further or give any comp. outside the State a pecuniary interest in the tunnel.
in every instance before entering

" not allow to cons. with R. of B. or.

" authority to lease or pur. said R.B. or any other road at the time that may be established by

" consent to cons. R. of B. the Courts of the State.

" not entrust tunnel to a cons. that may be mo. at any time by the Legislature of Mass.

It is a mistake to say that everybody rides upon railroads & therefore that the State should own one, & the interest pay all the people, to regulate the rest

Gentlemen take the constn of ships everywhere liable to Mass

No hands, hitches in Mass.; no especial franchises

Public Library of the City of Boston.

6

71 21 [illegible] States in account with

REGULATION OF RAILWAYS BILL.

Mr. Chichester Fortescue has brought in a bill to make better provision for carrying into effect the Railway and Canal Traffic Act, 1854, and proposes that it shall come into operation on the 1st of September next.

The 4th clause provides for the appointment of not more than three commissioners, to be styled the Railway Commissioners, of whom one shall be of experience in the law, and one of experience in railway business, and not more than two assistant commissioners, and upon the occurrence of any vacancy in the office of any such commissioner or assistant commissioner from time to time, in like manner to appoint some fit person to fill the vacancy. These commissioners shall have power to exercise jurisdiction in cases of offences against section 2 of the Railway and Canal Traffic Act, 1854, or of section 16 of the Regulation of Railways Act, 1863, or of this act, or of any enactment amending or applying the said enactment respectively, and shall try such offences in place of the courts and judges which now have this jurisdiction. Before permitting formal proceedings, they may inform the company of the complaint. They may settle differences between companies such as are now obliged to be referred to arbitration. They are to have the powers conferred by special act on the Board of Trade with reference to railway and canal companies. The 10th section amends the act of 1854 as to through traffic, and enacts that companies working lines which form parts of continuous lines are bound to give facilities to others on this line which shall include the due and reasonable forwarding of through traffic at through rates. The company requiring the forwarding of traffic is to give seven days' notice of the through rate and its apportionment. The forwarding company shall, within seven days, agree or object to the rate, stating the grounds of any objection; if no objection be made within seven days the rate comes into operation; if an objection be made, the commissioners shall decide the case. If the objection be only to the apportionment, the rate comes into operation at the expiration of the seven days, but the commissioners decide on the apportionment. This section applies to steamers worked in conjunction with railways, &c. The 11th section is as follows: Every railway company and canal company shall keep at each of their stations and wharves a book or books showing every rate chargeable for the carriage of traffic, other than passengers and their luggage, from that station or wharf, including any rates charged under any special contract. Every such book shall distinguish how much of each rate is for the conveyance of the traffic on the railway or canal, including therein tolls for the use of the railway or canal, for the use of carriages or vessels, or for locomotive power, and how much is for loading and unloading, covering, collection, delivery, and other expenses; and the entries in such books shall be made in such form, and contain such particulars as the commissioners may from time to time, on the application of any person interested, and for the purpose of ensuring publicity, direct. Every such book shall during all reasonable hours be open to the inspection of any person without the payment of any fee. Any company failing to comply with the provisions of this section shall for each offence, and in the case of a continuing offence, for every day during which the offence continues, be liable to a penalty not exceeding £5, and such penalty shall be recovered and applied in the same manner as penalties imposed by the Railways Clauses Consolidation Act, 1845, and the Railways Clauses Consolidation (Scotland) Act, 1845 (as the case may require), are for the time being recoverable and applicable. By section 12 agreements between railway companies and canal companies giving to one company rights to interfere with the traffic or tolls on portions of the line of the other are null and void, unless specially authorised by a previous act, and cannot be entered into without the consent of the commissioners, who are to withhold this consent if they consider the agreement prejudicial to the interests of the public, and not to sanction it in any case without one month's notice to the public, to be given by advertisement in the *Gazette*, in the offices of the clerks of the peace for the counties concerned, and in the office of the commissioners. By section 13, railway companies possessing canals are compelled to keep them in proper navigable condition. Sections 14 to 17, inclusive, refer to the forwarding of the mails; and the following portion of section 16 is as to the remuneration of the companies: In determining any question as to the remuneration to be paid by the Postmaster-General to any railway company for any services performed by them, the commissioners shall fix such remuneration at such rate as is, in their opinion, having regard to the nature of the service and the circumstances of the case, as nearly as possible equal to that charged by the company to the general public for a similar service. The salaries of the commissioners are not to exceed £3,000 per annum for the chief, and £2,000 per annum for the remaining two, and £1,500 a year each for the assistant commissioners, they appointing such officers and clerks, with such salaries as they think fit, with the sanction of the Treasury. The 20th section gives an appeal from the act of one commissioner to the whole; but, otherwise, any act of one is that of the commission. Section 21 gives the commissioners all the powers of an inferior court of record as to [illegible] inspections, summoning witnesses, calling for [illegible] and documents, and punishing for contempt; ex[illegible]s of witnesses may be allowed, and disputes as to [illegible] may be referred to a master of one of the superior [illegible]. Section 22 provides that the orders of the com[illegible]oners may be in a summary way made orders of any [illegible]perior court. Section 23 empowers the commissioners [illegible] together or separately, in private or open court; [illegible] the court must be open on the application of any [illegible] to the complaint. Section 24 provides that the [illegible]al orders made for the regulation of proceedings [illegible]te laid before Parliament, and if not abrogated or [illegible] within a month after, shall be in force as if en[illegible]n the act. The duration of the act is proposed to [illegible]ive years.

Stringent Railway Provisions.

—The new railroad law of Illinois, intended to prevent unjust discrimination and overcharges on passenger fares and freights by railroad companies, contains some stringent provisions. In the case of a verdict for the people in any trial under this act, the corporation involved will be liable to a fine between the sums of $1000 and $5000 for the first offense, and in an increased ratio for subsequent offenses, the maximum penalty in a single case being fixed at $20,000. As the authority of a Legislature to make laws regulating the management of railroad lines in the matter of charges has been a subject of discussion, a recent decision of the Supreme Court of the United States in the case of Olcutt against Fond du Lac county, Wis., becomes of interest from its relation to this subject. This decision asserts as beyond all controversy or question that all railroads are public highways, having no existence save as such. It declares that: "No matter who is the agent, the function performed is that of the State. Though the ownership is private the use is public."

THE Railroad bill decided upon by the Special Committee of the Illinois Legislature minutely defines extortion and unjust discriminations by railways between places or persons, or in accomodations or charges, and fixes the penalty by a fine of from $1,000 to $25,000. The aggrieved citizen has the right to recover three times the amount of the unjust charge, besides his costs in the suit. The Railroad Commissioners are to fix the freight and passenger tariffs, and bring suits for infractions thereof.

No. 1.	J. H. Forbes	43 60
Sept payroll.	A. Cowell	122 75
voucher " 2		74 10
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" 7	Lot Overy	708 97
for bills		900 00
No. 8	Sr Geo. Washington	1500 00
" 9	Remus Elliott	27 50
Sept. payroll		98 50
for Bills		250 00
Sept payroll.	R. Morris	98 50
for Bills		350 00
"	"	65 00
No. 10		15 00
" 11		174 57
for bills		2000 00
Octo payroll -	H. A. H.	50 00
for bills		500 00
voucher " 12		1180 00
for bills		800 00
"	"	200 00
"	"	1540 00
Balance		20200 29
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Provisions of New York General Law 1875

Sec 1 must form corporation

Sec 3. Dissolution of corp. but not release from restrictions, duties or disabilities of each corp. [This continues #2 & 3 under the laws of N.Y. regarding RR.]

Sec 4. All & singular rights, &c &c transferred to & vested in the new corp. all claims, titles, to the new corp.

Sec 5 Rights of creditors preserved, & all liens upon property & all debts except mortgages attach to new corp. & may be enforced against it

Sec 6. Real & state to be taxed, &c as before

Sec 7. No increase of rates of fare beyond what is now allowed by law to each existing company.

Sec 8. All provisions of law regarding RR. shall be applicable to New corp. so far as applicable to railroad companies of this state

How about the personal liability in the general law?

When the company is consolidated? Can any stockholder trade the plate be held?

4 Gr. cur.

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THE NEW YORK HERALD ALMANAC, like the New York Herald itself, is a most remarkable production, and is distinguished above other annuals of its class by the variety and amplitude of its contents. Its mariner's guide and the information concerning storms, cyclones and hurricanes, must be very useful, while its minuteness of the weekly price list and other details of the cotton market, to one not familiar with such nice fluctuations, are perfectly bewildering. This list of missing heirs which have been advertised during the last thirty years, to say the least of it, is a new feature in the preparation of almanacs, having been first published last year. Fortune hunters of various classes will be prone to scrutinize this list. The political record in this almanac is simply immense in variety, extent and completeness; in the matter of government and the details of all its departments, it is perfectly exhaustive—as it is also in election returns, financial statistics, agricultural statistics, etc. Price 25 cents.

Evidence before the Eng. RR Com'tee on Amalgamation

"The North Eastern Company embraces thirty seven original independent companies. It now embraces a wide district, in which, although there was no competition whatever, the rates have been greatly reduced, facilities greatly increased and at the same time much better dividends earned."

$4205 00

LAW DECISIONS.

UNITED STATES SUPREME COURT.

RIGHT OF STATE TO LEVY TAXES.

THE right of a State to tax the lands granted by the United States to a railroad where that corporation has not obtained a full title was the question which arose in a case to which the Kansas Pacific Railroad was a party. The charter of this road requires the cost of surveying and conveying the lands in question to be paid to the United States by the railroad company, or by the party in interest, before a final patent shall be issued, and further directs all lands not sold by the railroad company within three years to be open for sale to *bona fide* settlers at the minimum price of $1.25 an acre, the money to be paid by the United States to the railroad company. The Supreme Court holds that a State cannot tax such land for two reasons: first, if it could tax them and and sell them for delinquency, the United States Government's right to receive the cost of the surveys and conveyance before losing its title to them would be interfered with; and, second, because it would interfere with the right of settlers to purchase the lands at the minimum price of $1.25 an acre.

In the case of Alcott against The Supervisors of Fond Du Lac County, Wisconsin, appealed from the Supreme Court of that State, the important question whether a State has a right to levy taxes for the purpose of aiding in the construction of railroads, or not, was involved. It is the opinion of the Supreme Court that railroads are public highways, no matter whether they are built and operated by the State or by private corporations. The building of railroads is, therefore, a matter of public concern, to aid which it is just as lawful to levy taxes as for the building of a wagon road or any other public work, and the collection of these taxes cannot be resisted by authority of Article V of Amendments to the Constitution of the United States, which provides that private property shall not be taken for public use without just compensation.

AN act passed by the Massachusetts legislature and approved April 25th, provides, in addition to all damages sustained, a penalty of two hundred dollars for the violation of the act of 1871, in reference to freight charges. That act provides that a railroad corporation whose roads connect shall not charge for the transportation of any freight more than is, at the same time, charged for the transportation of the like class and quantity of freight from the same point to a station at a greater distance on its road in the same direction. This provision applies, also, to two or more corporations, whose roads connect, and to a leased road which, for the purposes of the act, is regarded as owned by the corporation leasing it.

LIABILITY OF CARRIERS.

A CASE decided March 31st, had its origin in the great nitro-glycerine explosion in San Francisco, in April, 1866. A small box, indicating in no way by its outward appearance what its contents were, was shipped from New York to San Francisco by the Pacific Mail Steamship line in March, 1866. On its arrival in California a substance resembling sweet oil was found to be oozing from the box. The package was taken to the office of the express company, and a laborer, in the presence of the agents of the express and steamship companies, and other persons, undertook to open it with a hammer and mallet, for the purpose of ascertaining which company was responsible for the damage to the goods. The contents of the box exploded instantly, killing all those who were near and greatly injuring the building A similar box exploded on board a steamer at Aspinwall at about the same time, destroying the vessel and other property. The owner of the building brought suit to recover damages from the express company, alleging negligence on the part of the latter. It was shown that nitro-glycerine as an article of commerce was at that time almost unknown; that there was nothing about the box to indicate its dangerous character, and that the agents of the company treated it as they would any other merchandise. The plaintiff held that it was the duty of a common carrier to know the character of the goods intrusted to him, and this was the most important question of law involved in the case.

The Court say that if express carriers are chargeable with notice of the contents of packages carried by them, they must have the right to refuse to receive packages unless their contents are known. It would be unreasonable to require them, in that case, to accept as conclusive in every instance, the information given by the owner. They must be at liberty, whenever in doubt, to exact the right of inspection of the contents as a condition of carriage. But the doctrine which would lead to such a course of business would cause great inconvenience, and seldom accomplish any good. Fortunately the law is not so unreasonable, and does not enforce such a doctrine, and the conclusion is that the carrier is not chargeable with notice of the contents of packages, and should not be held liable for an act done without his fault.

Chap. 140. Laws of the State of New York.

Passed April 2, 1850.

Section 10. Each stockholder of any company formed under this act, shall be individually liable to the creditors of such company to an amount equal to the amount unpaid on the stock held by him, for all the debts and liabilities of such company, until the whole amount of the capital stock so held by him shall have been paid to the company; and all the stockholders of every such company shall be jointly and severally liable for all the debts due or owing to any of its laborers and servants for services performed for such corporation; but shall not be liable to an action therefor, before an execution shall be returned unsatisfied in whole or in part against the corporation; and then the amount due on such execution shall be the amount recoverable, with costs, against such stockholders.

10

SAFETY ON RAILROADS.

Trial of the Westinghouse Brake on the Eastern Railroad—Successful Experiments—Banquet at the Revere House—Speeches, Etc., Etc.

[REPORTED FOR THE BOSTON POST.]

The Eastern Railroad Company gave an exhibition of the workings of the Westinghouse brake yesterday afternoon in accordance with a request of the Superintendents of the several railroads centering in this city.

The train was made up of eight cars, all recently from the shops of the company; the engine was the Atlantic, Mr William Johnson, Engineer, and the train was in charge of Mr John Leighton, the well-known and popular conductor. The company numbered upwards of 150 gentlemen, and included among others, Superintendents Kendrick, of the Old Colony road, Folsom, of the Providence road; Prescott, of the Eastern road; Merrill, of the Vermont Central road; Russell, of the Boston and Albany road; Dodge, of the Boston, Concord and Montreal road; Chamberlin, of the Concord road; Todd, of the Northern road; and Wm. Raymond Lee, Esq., of the Providence road, T. K. Lothrop, and George F. Hatch, President and Manager of the Eastern road; S. H. Howe, Esq., and Warren Ladd, of the New Bedford road; Messrs Carpenter and Wallace, of the Committee on Railways of the Legislature; Mr Angell, of the European and North American road; John E. Lyon, President of the Boston, Concord and Montreal road; Hon. George B. Loring, President of the Senate; Messrs Arnold and Foss, of the Vermont Central road; Yeamans of the New Haven and Northampton Railroad; Gen. Donohoe, of the Lowell road; Mr Westinghouse, the inventor; Mr Bagaley, the President, and Mr Sellers, the Agent of the Westinghouse Company; Hon. Robert Johnson, of Boston; Messrs Bacon, of Lawrence; Barker, of Pittsfield; and Chisholm, of New Bedford, of the Railway Committee; Curtis Guild, Esq., George E. Towne, Esq., of Fitchburg; Senator Washburn, of East Boston; Henry C. Sherburn, Esq., Henry Simonds, Esq., H. C. Nutter, Paymaster of the Old Colony road; J. W. Aborn, Esq.; ex-Senator Howe, of Methuen; Mayor Doyle, of Providence; George O. Carpenter, Esq., Mr Briggs, Railroad Commissioner, and others more or less interested in the railroad interests of New England. The train left the depot at 2 o'clock and ran out to Revere, proceeding to the track leading to East Boston, where the experiments took place. These were similar to those exhibited last week, the results of which are given in the remarks of Dr Loring below.

At a few minutes past six o'clock the company returned and sat down to a dinner at the Revere House, at which about two hundred gentlemen were present. The tables were laid in the style for which the Revere has long been noted, and the dinner was served under the immediate supervision of Mr Gurney, who has the Revere in his especial charge; and it is not too much to say that the affair was one of the most elaborate that was ever spread under its roof. Geo. E. Towne, Esq., presided, and coffee being reached the health of Mr Westinghouse was proposed and drank with all the honors, for which that gentleman briefly returned his thanks. President Loring was next introduced and read the following report of the Committee appointed to superintend the experiments:—

BOSTON, APRIL 9, 1873.

The committee appointed by the Assembly called together to witness experiments made with the Westinghouse air brake, on the Eastern Railroad, would respectfully report. The experiments were as follows:—

First—Stop made by engineer from a signal given in the cars by the conductor—distance measured from a flag thrown from the train at time of signal being given. The result of this experiment was: The train stopped in 15 seconds; the distance run from the flag was 512 feet; the velocity of the train was about 30 miles per hour.

Second—First experiment repeated. Train stopped in 15 seconds; distance run from flag was 424 feet; the velocity of the train was 30 miles an hour.

Third—Stop made by engineer by putting brakes on when arriving at a flag on marked point in the track; distance measured from that point. The result of this experiment was as follows: The train stopped in 15 seconds; the distance run was 415 feet; the velocity of the train was 34 miles per hour.

Fourth—The third experiment repeated. Train stopped in 15 seconds; distance run was 415 feet; velocity 34 miles per hour.

Fifth—Stop made by putting the brake on from one of the cars; distance measured from a flag thrown off at the time of application. The result of this experiment was the stopping of the train, at a speed of 30 miles per hour, in 15 seconds.

Sixth—This experiment was to be a repetition of the last and was omitted.

Seventh—Stop made by putting the brake on from one of the cars; engine to remain wide open, working ahead with full steam on; distance measured as before. The result of this experiment was the stopping of the train in 21 seconds; the distance run from the flag was 685 feet, and the velocity of the train was about 30 miles per hour.

No. 8 of the programme was omitted, being but a repetition of No. 7.

Ninth—Stop made by brake working automatically by the train being cut in two and running at full speed. The result of this experiment was the stopping of the train in 13 seconds; the distance run from the flag was 73 feet; 270 feet remained between the parts of the train.

Tenth—This experiment was to be a repitition of the last and was omitted.

Eleventh—Stop to be made by breaking the engine from the train—the brakes working automatically. The result of this experiment was the stopping of the train in 17 seconds; the distance run from signal was 350 feet, and the velocity of the train was 35 miles per hour.

These experiments were made under the influences of a strong northeast wind—blowing against the train during the first half of the trial, and *with* the train during the last half. The train consisted of a locomotive weighing 35 tons, with a tender weighing 20 tons, and 8 cars, weighing 128 tons. The number of passengers was about 200. The Committee desire to express their entire satisfaction with the trial of the brake, and to congratulate the community on the security produced by the invention. For the systematic manner in which the experiments were made, they also express their satisfaction. The report is signed by W. R. Lee, E. P. Carpenter, George B. Loring, C. W. Slack, A. D. Briggs, A. A. Folsom, Committee.

Dr Loring continued and spoke briefly of the great railroad interests of the country, and he was followed by Mayor Doyle, of Providence, who made a capital off-hand speech that elicited the hearty applause of his hearers. Mr Williams, Managing Director of the Eastern road, responded for that corporation, and stated that experience had taught them that the Westinghouse brake was a very great invention. Rev E. C. Bolles, of Salem, responded happily to a call; C. W. Slack and Curtis Guild, Esqs., responded for the Press; Senator Washburn and Col. Carpenter were next called upon, and during the balance of the evening various gentlemen responded to calls from the chairman, and it was not until a late hour that the company separated, after having enjoyed a very profitable afternoon and evening.

THE PROPOSED NEW RAILROAD.—Some weeks since we alluded to the project discussed by some of the prominent capitalists of the country of making direct railroad connection between this city and the coal mining districts of Pennsylvania. The matter is one of great interest to Bostonians, and, in fact, to all New England, for such a line of communication established there would cause a very considerable reduction in the price of fuel, together with the certainty of a prompt supply. Hitherto, dealers in this city have been obliged to go to second hands for their stock, but with the carrying out of the proposed plan that obstructive feature of the coal trade will be ended at once and forever. The western terminus of the line, as at present projected, is at Hazelton, Luzerne county, Penn., in the very heart of the anthracite coal district. Surveys were made several months since, by a company working under a charter obtained from the Legislature of that State, empowering the Lehigh and Eastern Railway Company to construct a road from the said point to an eligible point on the Erie railway. As the idea was to make connection at Newburg with the Boston, Hartford and Erie, the troubles of that road prevented more than a partial survey being accomplished; but now that the way is clear, we may look for an immediate resumption of the work and a speedy accomplishment of the proposed plan.

NEW ORLEANS DEAD WEIGHT.—Referring to Boston's prospective railway advantages, the New Orleans Picayune truly says that what share any city in the United States shall have of the country's commerce, in a great measure depends on the railroad management, and then makes the following observation relative to the dead weight now resting upon the commercial energies of that city: "Here we have, in addition to railway supply line, a free trade cheaper than any artificial line, and of limitless capacity in the river at our doors, but we are almost entirely deficient in any of the labor-saving appliances for handling freight, except in the case of corn and grain. In a recent case, personal to ourselves, the freight of two barrels from New York to this port was $2 60, and the cartage from the ship to the house $1 50; while in some instances we are told the charges equal the freight if two removals occur, as in the case of storage, which is an extra. This defect must be supplied if we mean to keep up with the times, for we no longer have that grip on the river trade we once had, and are tapped in every direction by rival interests who supply their want of natural advantages by artificial means, thus equalizing the chances."

ANOTHER SUPREME COURT DECISION.—The Supreme Court has just rendered a decision invalidating the clause usually printed on the backs of railroad passes, exempting the company in case of accident. The decision does not include the ordinary complimentary pass on which no consideration is apparent, but only on that large class of passes granted "on account of freight," as, for instance, drovers' tickets to return home free after having disposed of their cattle. In these cases the consideration is obvious, and the exceptions on the back are of no effect. It came to the knowledge of the court also that some railroads were actually selling tickets in their ordinary business which stipulate an exemption of the company from damages in consequence of accidents, and holding that the acceptance of a paid-for ticket bearing that stipulation absolved the company from liability. The sum of the decision is, that in all cases where a consideration, of whatever sort, is given for the ticket, the company is liable for damages.

BOSTON AND CANADA.—Referring to the Hoosac tunnel, calculated, among other things, to afford a cheaper and more direct connection with the whole St. Lawrence navigation system, and with Oswego and Montreal in particular, the Toronto Mail says: The Lake Shore railroad on the American side of Lake Ontario, now being rapidly pushed through, will ere long make an unbroken link from Oswego to Lewiston, connecting with the Great Western of Canada by the Queenston and Lewiston suspension bridge, which is now certain to be built. It rather grieves the New Yorkers to reflect that, when Western trade in great volume does begin to pour into Boston it will find the latter city already well appointed with stately granite warehouses, magnificent quays and docks, an incomparable system of rapid transfer direct from car to ship, and vice versa, in all of which respects New York is behindhand to an astonishing degree, regard being had to the gigantic business done.

RAILROAD ENTERPRISE.—It is reported that Jay Gould has been recently engaged in perfecting a grand railroad scheme, which will enable him to compete with the Erie railway in its through traffic from the West and Southwest. Mr. Gould, who owns a great part of the New Jersey Southern railroad, has contracted for the building of thirty additional miles of road and for the construction of two new steamers of great carrying capacity. These steamers are to be 340 feet long and 87 feet beam, and the decks are to be fitted with railroad tracks, and all the appurtenances necessary for the transport of cars. One will run between New York and Sandy Hook, and will carry thirty-three loaded cars. The other is intended to convey cars from Bayside across Delaware bay, whence passengers will be transported by rail to Baltimore, Richmond, Washington or Norfolk. It is claimed that by the Baltimore and Ohio road, Cincinnati will be practically seventy miles nearer to New York than at present.

A NEW ROUTE TO THE WEST.—The new route for heavy freights West, combining water and rail and requiring only two transfers—from New York and New England to Richmond by water, thence by rail via the Chesapeake and Ohio railroad to the Ohio river, thence by water again to all points on the Mississippi and its tributaries—is attracting attention among business men, and is likely to be patronized liberally. The granite of the Maine and other quarries for use in the new government buildings in the Mississippi valley, promises to be transported by this route, which seems to have the advantage of cheapness in its favor. Upon the completion of the link of railroad between Baltimore and Richmond, the connection between the Atlantic coast and the Mississippi river will be complete.

IT is stated that the Chinese are about to construct one hundred miles of railway as an experiment.

THE first sleeping-car used on an English railroad, was started from Glasgow for London on Monday night, Feb 24th, 1873

STRIKING SOUTHWARD.—Chicago, not satisfied with having formed great and important railway connections with the East and West, is now seeking to possess a direct line of road to the Gulf States, for the purpose of giving the cotton-producing country a better outlet to the great lakes. The contemplated air line railway from Chicago to Savannah, Ga., via Indianapolis, Ind., Lexington, Ky., Knoxville, Tenn., and Augusta, Ga., if carried into execution, would link that city, on the shortest line, with the three most important South-Atlantic seaports—viz: Savannah, Port Royal and Charleston. The president of the Indianapolis, Delphi and Chicago railway has addressed Mayor Medill a letter on the subject, calling attention to the merits of the grand enterprise. The route is said to be entirely practicable. By it Chicago would not only unite herself with the best cotton-producing sections of the Southern States, but would also, by the peculiar situation of the harbors alluded to, secure a portion of the commerce of the West India Islands and South America. The inaugural movement of this grand scheme took place at Indianapolis on the 5th of February last. Since then it has received the entire coöperation of the people along the proposed line in Kentucky, Tennessee, North and South Carolina, and Georgia.

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THE WESTINGHOUSE ATMOSPHERIC BRAKE.

In no invention can the traveling public (and what part of the community does not that include?) take a greater personal interest than in one which tends to lessen the risks and dangers which every traveler incurs. There is no necessity for dilating upon the probability or the horrors of railroad accidents. They are present to the mind of every traveling man in all the force of the imagination; and recollections of Norwalk, Angola, and other names of bloody memory, will obtrude themselves during the most delightful journey.

No amount of prudence in management, no amount of expense in roadway and rolling-stock, nor the most vigilant care upon the part of employees, can ever avert the possibility of accident.

But the risks may be greatly lessened; and there is no way in which their number may be more reduced than by placing the whole train completely under the control of the engineer. With the enormous weight of a loaded passenger train thundering along at the rate of thirty or forty miles an hour, it would seem the merest folly to allow the control of such a train to remain in the hands of any but the man who alone can see an impending danger. And as the engineer only can see it, he should, alone, promptly, and without relying upon other men and signals, be able to check the momentum of the train under his guidance. That this can be done by the use of the Westinghouse Air Brake repeated tests have shown.

On September 18th, 1869, a test was made in the presence of the Master Mechanics' Association, on the Pennsylvania Railroad, at the famous "Horse-shoe Bend." The train of six cars, running down a grade of ninety-six feet in a mile, at the rate of thirty miles an hour, was brought to a stand-still in 420 feet—seven car lengths. At Altoona the train was stopped in less than its own length in *eleven seconds*.

At Chicago, November 26th, 1869, a train running at nearly forty miles an hour was brought up in 370 feet.

Many others have been made with the same results, showing that, by the use of this brake, an engineer can, at his will, regulate the speed of his train.

To travelers its greatest advantage is the safety which follows from its use; while it will recommend itself to railroad officials by its economy in the prevention of expensive accidents, and saving the wear and tear of wheels and rolling-stock.

Fig. 1.

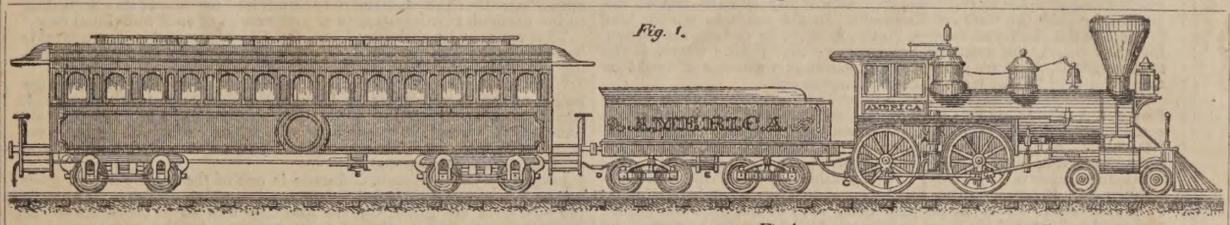


Fig. 2.

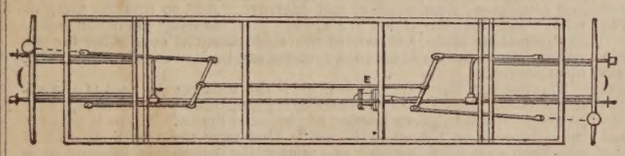


Fig. 4.

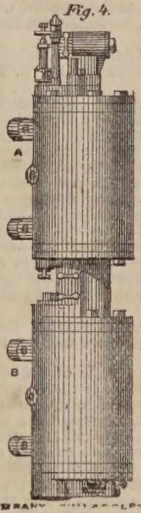


Fig. 3

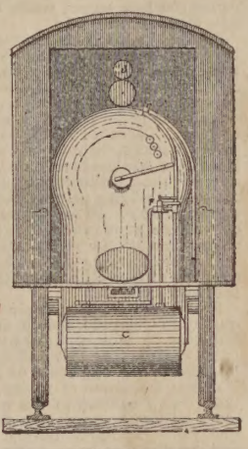
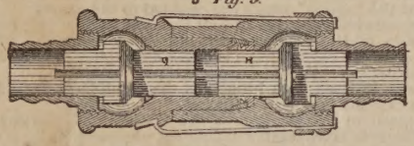


Fig. 5.



WESTINGHOUSE
AIR BRAKE

NATIONAL RAILWAY PUBLICATION COMPANY, PHILADELPHIA.

DESCRIPTION.

On the right-hand side of the locomotive, fastened to the running board, and immediately under the engineer's eyes, is an upright, direct-acting air pump, (fig. 1, A B, and fig. 4,) which draws its supply of steam from the boiler, and pumps air into a reservoir, C, which is attached to the foot-board, and hangs directly under the cab. This pump, of which A is the steam cylinder and B the air cylinder, is entirely self-acting, and is really a medium between the pressure of steam in the boiler and the pressure of air in the reservoir. Thus it will be seen that when the pressure of steam rises, thereby giving more power to the pump, the air pressure in the reservoir must also rise; or, if the engineer draws a supply of air from the reservoir to apply the brake, the pump at once begins working vigorously, without attention from the engineer, to make up the deficiency of pressure in the reservoir, caused by the application of the brakes; it then works on until the steam and air pressures are the same, less the allowance for friction in the pump. The quantity of steam used in pumping the air is scarcely perceptible, and the time necessary for the pump to restore the pressure varies from one to two minutes.

Under each car of the train is a cylinder, E, (figs. 1 and 2,) firmly bolted in such a position that the piston acts directly on the lever now used for the ordinary hand brake, and not at all interfering with hand braking.

The pressure of air is conducted to these cylinders from the reservoir, C, under the locomotive, by a line of three-quarter inch gas-pipe, running the entire length of the train, and the connection with each cylinder is made from the main line with a quarter-inch elbow. From each end of a car the pipes are extended by three-ply rubber hose, which are connected, when the cars are coupled together, by an ingenious coupling, D, (figs. 1 and 5,) so arranged that when the parts, G and H, (fig. 5,) are united, the air passes freely through them. But should any of the cars become detached from any cause, the coupling, which is held together by stiff springs, pulls apart, the valve closes, the escape of air is prevented, and the brake remains effective on the rest of the train. Or should the brake have been applied, and afterwards a car become detached, the valves of the coupling on the detached car immediately close, and the brake continues applied, thus preventiug a car from running back on a grade.

An air gauge, J, (fig. 3,) placed immediately above the steam gauge, indicates to the engineer the amount of pressure in the reservoir; and the entire management of the train is placed in his hands by means of the three-way cock, F, by simply turning which he can instantly and effectively stop the train, without that unpleasant jerking and bounding noticeable on all trains where hand or other brakes are used, or can as quickly release the brake or graduate it to any desired speed.

While the brake is so adjusted that the engineer can, by a simple movement of his hand, apply it with its utmost force, as n case of accident, yet it is impossible for him to get such force as to break anything, or even lock or slide the wheels.

The brake is applied instantly to all the cars of a train alike, so that, in running into an obstruction, the train would be perfectly taut, and could stand a considerable blow; or, in case of an anticipated collision, the train could be stopped, the brake released, and the train backed out of danger at once.

The cases are numerous where railway officers have testified to the prevention of accidents by the use of this brake. Many engineers, who have become accustomed to its use, say they would be unwilling to run without it.

To all alike—travelers, officials and employees—it recommends itself by supplying a long felt need, and practically proves its claims by the safety and economy which its use insures.

N. B.—*We will furnish any railroad company with a complete set of fixtures for one train, to be paid for only when the* BRAKE *is found perfectly satisfactory. For further particulars apply to* **Ralph Bagaley, Secretary,** *corner of Liberty and 25th Street, Pittsburg, Pa.*

GARDNER RANSOM AIR BRAKE.

This compressed air-brake bids fair to be a formidable competitor of the well known Westinghouse brake. The apparatus consists of a pump attached to the locomotive, an air reservoir placed in the tender, an air cylinder under each car, and the hose pipe through which the air is forced. The pump is said to be simple in its construction, certain in its action, easily understood and kept in repair and capable of pumping one hundred pounds of air with one hundred and ten pounds of steam. The brake is both applied and released by compressed air, the action in either direction being instantaneous or gradual as may be required. The advantage claimed over the Westinghouse brake is that it not only sets the brake but forces it off with the same rapidity and ease, each action being entirely under control of the engineer, who may not only make a quick stop but at once be able to release brakes and back out of danger. This advantage is obtained by means of a four-way cock and the air cylinder under the car. The power which applies the brake being turned back, by the reversing of the lever, from the air cylinder, through the four-way cock, so as to "force off" the brake in the same manner as it is "set."

This brake is now in use on the Milwaukee and St. Paul, the Detroit and Milwaukee, the Cleveland and Columbus, and Cincinnati and Indianapolis Railways, and is being placed on the New York Central.

A joint-stock company, having a capital of $500,000 and extensive works in Cleveland, Ohio, are making active preparations for pushing the manufacture and use of this brake.

18.081 65

The United States in account with

Jan 1873

THE New York, Boston and Montreal Railroad Company has obtained within a few days control of the old Vermont Central system of railroads, extending from Rutland to Burlington, from Burlington to St. Albans, from St. Albans to Montreal, and also the roads to Ogdensburg, to Montpelier, to White River Junction, to Windsor, to Bellows Falls, and thence to the Northern Railroad at New London, Conn., making a system of over two hundred miles completed and equipped, with five hundred locomotives, 4,000 freight cars, one hundred and forty passenger and baggage cars, and a telegraph system. The road-beds are in good condition, and the equipments good. The earnings last year were between $5,500,000 and $6,000,000, and the net earnings about $1,500,000. The roads embraced in this system have been in a receiver's hands for about ten years. Governor Smith, as receiver has managed the lines in the interest of the bondholders, and his acts have been approved by decrees of the court in every instance. Last fall Governor Smith's notes went to protest, and this broke the credit of the roads. He, seeing that it would be futile to attempt to control the roads with a broken credit, went to the Vermont legislature and procured a charter, organizing a company called the Central Vermont, instead of the Vermont Central. It was to absorb this entire system of roads, and take the place of trustees and receiver. The new company was organized, and stock was subscribed for to the amount of $2,000,000, at St. Albans, Vt., a few days ago. Financiers from New York subscribed about $1,500,000 out of the stock. These gentlemen are interested in and own a large part of the stock of the New York, Boston and Montreal Railroad Company, and consist of W. Butler Duncan, T. W. Park, Geo. H. Brown, J. Q. Hoyt, A. McKinney, Christopher Meyer, Geo. H Bissell, John H Cheever, John S. Shultz, A. A. Seloven, and others. This system of roads will thus become practically a part of the extensive system under the management of the New York, Boston and Montreal.

"AND THERE WERE GIANTS IN THOSE DAYS."—The following summary is for the especial edification of some sharp-nosed, dyspeptic, rummaging antiquarian of a thousand years hence. We simply ask that he will give due credit to the PUBLIC SPIRIT, and not do as many "smart fellows" of to-day do, steal it outright:

The Hoosac tunnel was first proposed in 1819, chartered in 1848, commenced in 1851, completed 1875, total length 25,031 feet, east end to central shaft 12,837 feet, central shaft to west end 9,694 feet, west shaft to west end 2,500, depth of central shaft 1,028 feet, depth of west shaft 318 feet, size of central shaft 15x27 feet, size of west shaft 10x14 feet, height of eastern summit 1,429 feet, height of western summit 1,718, grade per mile 26.40, water pumped per minute from central shaft 214 gallons, rock excavated 1,900,000 tons, height 20 feet, width 24 feet, men employed 900, miles from Boston 136, above tide-water 966 feet, total length of brick arching 7,573 feet, 20,000,000 brick used, cost $14,000,000, lives lost 195. The contractors were F. & W. Shanley, of Montreal. The explosive used was tri-nitro glycerine.

Railroad Questions in Germany.

A conference was held recently at Berlin, convoked by the Minister of Commerce, to consider all the various questions connected with the safety of passengers. The co-operation of the directors of the various lines was invited, and a programme (drawn up in advance) shows the general character of the anticipated discussions. The programme embraced thirty-two separate questions, which are divided into four leading categories: 1, Works on the line and at the stations. Under this are included the construction of switches, the means of repairing them, and their maintenance and control. 2. Signal systems, with the view to increased security, particularly stoppage signals, in the possible case of interruption of telegraphic communication. 3. Means of control. Here will be considered questions as to brakes, precautions to prevent cars that are stationary from being removed by the wind, the possibility of prohibiting certain locomotives in fast travelling in express trains, the control of the rate of speed, the nature of the goods, cars, and the avoidance of accidents in coupling. 4. Management. Under this head will specially be considered, how far the defective training of the officials is responsible for accidents, and what changes in their education might be adopted; how far the overworking of officials has contributed to accidents; and a number of similar points.

	Mower		41	25
	Brown		30	00
	Lambert		10	00
			825	00
			1639	00
			25	00
			200	00
			250	00
			1172	00
			40	00
			328	35
			2000	00
03	"	"	200	00
04	"	"	20	00
05	Jas Cavanagh & 15. Hors		50	00
06	Thos G. Craven		180	00
	Capt. Wm T. Martin		71	45
	4938.75			
	Tax 41.15			
	roll 128.00			
	5107.90			
	& Jas 50.00	5057.90	5057	90
	amt of 3% Tax - Sep & Oct -		87	03
			5245	77
			$ 17292	75

Capt. Chas. E. Fuller Asst qr mr

1862

Nov. Amount brought forw'd 17.292 75

Branch Roads and their Importance.

From the Report of the President of Burlington and Missouri River Railroad — 1874.

The gross earnings of the Burlington and Missouri River Railroad and its branches for the year have been $3,152,233 98, an increase over those of the preceding year of $111,785 73. The actual increase, however, is greater than is shown by this statement; for in the statement of earnings for 1872 is included an allowance in the division of joint earnings made by this company to the Burlington and Missouri River Railroad Company for business brought by it to this road. The operating expenses for the Burlington and Missouri River Railroad and branches for the year were unusually increased by the large amount of renewals and repairs elsewhere mentioned, and have been $1,916,-398 02 exclusive of taxes, being 60 79-100 per cent. upon the gross earnings on the road, and leaves the amount of net earnings upon the road at $1,-235,835 76.

Attention is called to the branch roads. There has been a gradual and steady increase in the business of the branch roads, so-called, both in Iowa and Illinois. In Illinois, for the year ending April 30, 1872, the earnings on the branch roads then in operation amounted to $661,939 71, and the entire earnings of the company upon the branch road business to $1,713,633 35. On the same branches, for the year now closed, the earnings have been $905,-166 40; and the entire earnings upon this branch business in Illinois, $2,049,988 27. The earnings on the branches of the Burlington and Missouri River Railroad, in Iowa, for the year have been $157,-248 24. The entire earnings of the company on the business of all the branch roads, both in Iowa and Illinois, including those local to the branches themselves and on the main line, have amounted to $3,487,277 70, and 33 per cent. of the entire gross earnings of the company on freight and passengers. The miscellaneous earnings are not included or apportioned to the branches in the above statement; but if included it would not materially vary the comparative results.

The statements will show to some extent the bearing these branches have upon the value of your property. When it is understood that these branches were built, or mainly so, by other parties, and in interests hostile to those of your road, and that they control so large an amount of business as these statements show, the stockholders can well appreciate the extent to which the business of the road would have been affected had not this company come into the ownership or control of them. It will be seen that these branches gather up and influence too large an amount of business to be lost, without seriously impairing the property of the company; and it is certain that if these branches were not now in the ownership or control of this company, this business would have been lost to it, or it would have been received under such strong competition as to have been substantially valueless. Besides, if these branches, reaching your line at thirteen different points as they do, were now in other control, and competitors, instead of contributors, the effect would be that nearly the entire business of the company, both that from the branches and that coming directly into the main line, would be under such strong competition as to leave but small profit, at many points none at all above the cost of transportation.

$ 17.292 75

The United States in Account with

1862					
Dec 8.	To Voucher No.	Lt. S. Jones Pay'ds		400	00
" 9	" Ck No. 706	for bills		1600	00
" 12	" Voucher No.	Lt. E. W. Keenan		3	94
" 10	" Ck No. 707	for bills		550	00
" 10	" " " 708	3% tax for Sep. & Octo. (Chgd in Nov.)		[illegible]	[illegible]
" 13	" Voucher No.	Saml. F. Barr		150	00
" 17	" Ck No. 710	3% tax for Nov. (Chgd in Nov.)		[illegible]	[illegible]
" 23	" " " 711	for bills		65	00
" "	" " " 712	"		500	00
" 27	" " " 713	"		100	00
" "	" Voucher No.	Leon Abbett (Cks 709 & 714)		275	00
" 28	" " "	Lieut. Jos. Clayton		300	00
" 29	" " "	Wm F. Ashton		32	00
" 31	" " "	Capt. C. E. Fuller		2	58
	" Amt Pay Roll	28 ab. 89			
	" " Extra duty roll	127. 60			
	" " do Medical Dept	193. 20			
	" " do Hd Qrs	178. 40			
	" Check No. 724.	3% Tax.	31. 22	3337	31
" 31	" Vouchers Nos.	Capt. Wm F. Martin		642	05
				$ 7957	88

Capt. O. E. Fuller — Asst Treasr

1862			
Dec 1	By Amt balance brot forwd	5365	77
" 9	" Cash for Ck No. 706	1600	00
" 10	" " " " " 707	550	00
" 23	" " " " " 711	65	00
" "	" " " " " 712	500	00
" 27	" " " " " 713	100	00

{ Eagle Bridge on the Troy & Boston RR to Rome or Oneida, 120 miles, now being surveyed cost probably $3,500,000. C. Comstock, Rome, N.Y. The company have authority to extend to the line of Mass^tts. E. B. Derby, Dir.

By Balance Carried forward	77	11
	# 7957	88

Via Fitchburg Railroad

	Miles		
Boston to Greenfield,	106		
Gr^d to N Adams,	37	= Boston to N Adams —	143
North Adams to Troy,	48	" " Troy —	191
Troy to Saratoga,	32	" " Saratoga, —	223
Albany to Troy 6 =	Boston to Albany —		197 —

Via Boston & Albany RR

Boston to Pittsfield,	151		
Pittsfield to N Adams,	20	Boston to N Adams,	171
Boston to Albany,	202		
Albany to Saratoga,	38	Boston to Troy, via Albany,	208
		Boston to Saratoga,	240

Fitchburg route, 28 miles shorter to N. Adams
17 " " " Troy
5 " " " Albany
17 " " " Saratoga

IMPORTANT CONVENTION.

Some fifteen or twenty Governors have signified their intention to be present at the Southern Internal Water-way convention, to be held at Atlanta, Ga., on the 20th inst. The object of the meeting is to consider a project for connecting, by an inland route, the waters of the Mississippi with the Atlantic ocean. The scheme is a grand one, involving more particularly the connection, by canal and slack water navigation, the Coosa, Etowah, Ocmulgee and Tennessee rivers with the ocean at Savannah. The canal will commence at Guntersville, the most southern point reached by the Tennessee river, thence to the Coosa, thirty miles distant, which it enters, and follows to Rome, Ga., up to which point the Coosa river is navigable for large steamboats at all seasons of the year. From Rome the canal follows the Etowah river to its nearest point of contact with the Ocmulgee, and thence down the latter stream to navigable water and the Atlantic ocean. This route has been several times surveyed, and has been declared entirely feasible by members of the United States Engineer Corps. The project was also favorably reported upon during the last session of Congress. A report from the House committee on commerce says: "By this means the entire navigable waters of the States of Alabama, Eastern Mississippi and West Florida will be connected with the vast inland sea comprised in the term 'Mississippi river and its tributaries;' also the navigable waters of the States of South Carolina, Georgia, Florida and a part of North Carolina, embracing about 5000 miles of water, easily navigated by vessels of light draft, and upon canals." These vessels would penetrate the streams and estuaries above referred to, into almost every portion of these six States—States that produce the major portion of the cotton raised upon this continent.

No doubt such an internal water-way would do much to develop the latent resources of the States through which it would pass, as well as to offer a new and improved means for the cheap transportation of the products of the agricultural States of the West, but the scheme is open to the same objections which other similar schemes are exposed to, i. e., construction under the auspices of a private company, whose bonds the United States government is asked to guarantee to the amount of $80,000 a mile, taking a mortgage of the entire work as security for repayment. Such a canal, if built at all, should be constructed, we think, by the joint assistance of the States to be benefited by it. The country has already had experience in aiding private companies, and a canal Credit Mobilier might result in much rascality, if not disgrace. But the Atlanta movement shows that the sagacious minds of other sovereignties than those lying north of the Ohio river are attracted to the rich prize which the trade of the West and Northwest offers, hoping, by artificial works, to overcome the obstructions of nature, and make the Mississippi pay tribute to the Southern Atlantic.

At a late meeting of the New York Chamber of Commerce, it was showu that the natural navigable water lines associated with the immense products of the West were as follows: First—The chain of great lakes and the St. Lawrence, bifurcating to Quebec, and by Lake Champlain and the Hudson to New York. Second—The Ohio river, and by portages over the mountains to the Susquehanna, Chesapeake and James. Third—The Mississippi and its navigable tributaries, terminating at the Gulf of Mexico. Each of these, except the last, has been improved by artificial works. The great trunk railways extend from all of the important interior centres of trade to the Atlantic: First, through the Canadas to Quebec and Portland; second, through this State, by two lines, to New York and Boston; third, through Pennsylvania to Philadelphia; fourth, through Maryland to Baltimore; and, fifth, through the Southern States to all their Atlantic and gulf ports. These natural water lines and the artificial ones, as well as the railroads before named (all of them beyond the Alleghanies, and included within the basins of the lakes and the Ohio,

TO THE PEOPLE OF THE STATE OF MASSACHUSETTS.

1873

The Commonwealth has temporarily surrendered to private corporations the power to monopolize the great avenues of intercourse, and to levy a tax for private gain on the vital necessities of the people, viz.: transportation of raw material, manufactured goods, and passengers. Avenues of intercourse, whether natural or artificial, should be free. This principle has always been admitted and adhered to in legislation. Grants of power to private transportation corporations for turnpikes, bridges, canals or railroads, are temporary powers to be resumed by the Commonwealth when the public interests demand it. That time has fully come; for the development and prosperity of the commercial, manufacturing and industrial interests of Massachusetts depend more on cheap transportation than upon any other element. Several plans have been proposed by which the Commonwealth may use its reserved power to secure for the people the cheap transportation universally demanded. Believing that a system of Public Trust Companies, created and controlled by the representatives of the people, will be the best means of accomplishing this public benefit, your attention is respectfully called to a brief comparison of such a system with that which now prevails. For convenience the comparison is made with the Boston & Albany Railroad corporation.

The number of individual stockholders in the Boston & Albany Railroad Company in 1871 was 4480—a number obviously too large to permit their ever forming a deliberative assembly for any purpose. They can never acquire an intimate, or any but the most general knowledge of the affairs of the corporation, and they have no inducement to seek for fuller information so long as they receive large dividends, which are restricted only by the fear that the State will take the road. The result is that the voting is done by a few men who own or control large amounts of stock. These men follow the lead of the largest owner, or of the president, and choose such men for directors as are agreeable to him. Practically the corporation is one man, and may become so in fact by a transfer of shares. This system holds out a constant inducement to ambitious and selfish men to seek to control the corporation so as to promote their personal ends.

DIRECTORS.

Under the present system the directors are selected from the stockholders, usually by the president, and elected by the votes of the few who are able to control the principal part of the stock. He or they are thus enabled to keep themselves in power, regardless of any question of fitness or ability. The directors receive no salary, and the work is done, if done at all, by committees appointed by the president.

PRESIDENT.

The president is annually chosen by the directors usually selected by himself. He receives a large salary, but devotes only so much of his time to the affairs of the company as he pleases, and is at liberty to give the greater part of his time and ability to his private business.

TREASURER AND CLERK.

The treasurer and, generally, the clerk, are chosen by the directors, and are under their control.

TARIFFS.

Under the present system the corporation commits the important duty of managing the property in all its details, and the adjustment of the tariff of rates of freight and fares to a set of men who have little or no time to attend to it. This board practically leaves to the president and the superintendent the adjustment of all tariffs. These officers may, and, it is feared, often do, so regulate the rates as to favor their own private business and interests, or those of their friends.

This cause prevents any systematic plan of promoting the public interests, but leaves everything to the caprice of a single will. This single will must, however, take care that his tariffs yield a ten per cent. return to the stockholders.

CORPORATION MEETINGS.

The present system provides for an annual meeting, and if the corporation is prosperous, the attendance of stockholders is usually small. The stockholders allow the directors to fix the dividends.

GENERAL POWERS.

Under the present system, the companies have the right to issue notes and mortgage their property.

The companies are not allowed to own and vote upon stock in other railroad companies except by special permission.

The State has the right, under the provisions of the general laws, to take the franchise, stock and property of any company. It has the right to take the stock, franchise and property of the Boston & Albany Railroad Company, not only by virtue of power reserved in the general laws, but by express provisions of the act incorporating that company, passed by the legislature of 1867.

In the proposed Trust Company the people themselves through their representatives in the legislature will choose the corporators—thirty in number—each having one vote only, and equal power in all matters entrusted to them. These corporators are to be chosen for periods ranging from one to six years; five corporators going out of office at the end of each year, and their places will be filled by the legislature; but no member of the legislature is eligible to the office of corporator.

The number, thirty, is not too large, and yet is large enough to provide for the representation of the different parts of the State; and, as the vacancies created each year are limited to five, the company is secured against the effect of sudden political changes.

DIRECTORS.

In the proposed Trust Company the directors—five in number—are to be chosen by the thirty corporators from among themselves. Thirty men of intelligence, and representing the different sections and interests of the State, will make a better choice for directors than 4480 stockholders can do, and better than one or two men, who control a majority of the stock of any road, will be likely to do. Five intelligent, active and independent directors in any one railroad corporation, would be a spectacle as novel as it would be interesting.

These directors are to be paid fixed salaries for their services, and required to act by unanimous vote, but in all cases of division of opinion an appeal lies to the corporators, a majority of whom will decide.

PRESIDENT.

The president is chosen by the corporators, but not from among their own number. They fix his salary and prescribe his duties. His term of office is also fixed by them, and he has a casting vote in case of a tie only.

He must give his whole time and energies to the work of the company.

TREASURER AND CLERK.

The treasurer and the clerk are to be chosen by the corporators and are thus made independent of the directors.

TARIFFS.

The Trust Bill requires the president and the directors to adjust all tariffs. They are chosen to do this work and are paid for it. They are limited to dividends of *six per cent.* and passenger fares not to exceed two cents per mile. They must act by a unanimous vote, which is a strong safeguard against their acting simply from personal motives or to gratify their friends, and tends to secure equitable and just dealing toward all interests.

CORPORATION MEETINGS.

The system proposed provides for annual and semi-annual meetings of the entire body of corporators who are thus brought to a full knowledge of the affairs of the company, and who then and there vote the dividends.

GENERAL POWERS.

The new company is expressly forbidden to issue notes or mortgage its property; thus effectually preventing the corporate property from being used by the executive officers for private ends.

The company may hold stock in other railroad companies in conformity with their charter and may vote thereon in all meetings of such companies. The new company has the power to take the franchise and property of the old, paying therefor par value and ten per cent. thereon from the time the money which the stock represents was paid into the treasury, less dividends received.

This would make the stock of the Boston & Albany worth $120 per share.

The new company is required to transfer all the shares it shall purchase to the State Treasurer, to be held by him in trust for the benefit of the stockholders in the new company.

CERTIFICATES OF STOCK.

The certificate is signed by the president and ie treasurer only, and is simply evidence of wnership.

The stockholder relies upon the earnings of the ompany for reimbursement, and for this risk ie law allows him ten per cent. on his invest- ent.

SALE OF REAL ESTATE, ETC.

The present corporations have no power to dis- se of useless real estate or tracks, etc.

TAXES.

Railroad property is subject to State and local xation, which is paid by the corporation and harged to the expense account. This, in the case the Boston & Albany Railroad, relieves the ockholders from taxation without diminishing e ten per cent. dividend on their stock; thus rowing an annual tax upon the patrons of the ad, which in 1872 amounted to $411,134.92.

PITAL, ETC., OF BOSTON & ALBANY RAILROAD CO.

Capital authorized	$27,325,000 00
" paid in (1872)	19,664,100 00
Gross earnings (1872)	9,259,598 81
Net income (1872)	2,362,614 69
Debt (1872)	3,567,560 00
Freight carried in tons (1872)	2,732,907 00

COME OF BOSTON & ALBANY RAILROAD COMPANY IN 1872.

t income		$2,362,614 69
xes paid and charged to expense account:		
State	$289,951 52	
Local	121,183 40	
	$411,134 92	
Net income was disposed of as follows:		
1. Dividends	$1,966,410 00	
2. Seven per cent. on debt.	249,729 20	2,216,139 20
rplus carried to net account		$146,475 49

OTHER EVILS OF PRESENT SYSTEM.

The present system is one of individual manage- ent, substantially for personal emolument, and th every pecuniary inducement to fleece the blic, and corrupt its legislators and judges.

The corporations are constantly encroaching on the public, and this begets a spirit of antag- ism not only in the legislature, but also in the ations which exist between the corporations d the public. It leads the corporations to seek e control of the public press, political conven- ns and the government, which has been done this and other States. In this way and for ese ends the railroad corporations are fast be- ming the most dangerous enemies to our free stitutions.

STATE AND PRIVATE CORPORA

1. The line of railroad from New York to Buffalo m time to time in all, but without the actual 4,847,589.07, making a total of $104,761,189.93. te of 8 per cent. on this enormous sum from the ese issues have been legalized by legislatures rrupt railroad ring. The legislature has found ely to be controlled hereafter as they have been 2. The canals of the State of New York were ed by commissioners chosen sometimes by the ople, and from 1824 to 1867 inclusive they have per cent., a little more than $210,000,000. mmissioners $208,000,000, including interest at count of construction and maintenance of the This system of canals represents over 990 miles th political parties have made use of the canal ere is no respect in which the canal manage New York Central Railroad management. e management of her canals in the hands of l parties, and arranged their terms of office so riously affected the board—a corporation capa ans here advocated—the canal system would t of the hands or control at any or all times of

Boston, Jan. 29, 1873.

CERTIFICATES OF STOCK.

The certificates of stock are to be signed by the president and the treasurer and countersigned by the State Treasurer, whose duty it is to see that the equivalent has been received by the company: an additional guaranty against fraud.

These certificates show precisely the contract between the individual and the State. The stockholder is guaranteed 6 per cent. in gold or its equivalent, for thirty years; and that the principal will be redeemed in the year 1900, less the dividends received.

SALE OF REAL ESTATE, ETC.

The new company will have power to sell and dispose of any property that is not wanted for use.

TAXES.

It is proposed to exempt the new company from all taxation, but to make each stockholder liable to be taxed for his money invested in the company's stock the same as for any similar property elsewhere.

Cities and towns through which the road runs will derive so large a benefit from low rates of freight and passenger fare that they ought not to be allowed to tax the very means by which that result is to be reached.

CAPITAL, ETC., OF TRUST COMPANY.

Capital		$30,000,000 00
Less sinking fund		5,000,000 00
		$25,000,000 00
Less amount to be paid in purchasing B. & A. Co.'s stock		23,596,920 00
Balance for working capital		1,403,080 00
The present debt of B. & A. R. R. Co. for 1872 ($3,567,560), will remain upon the new company.		

INCOME OF TRUST COMPANY.

Assuming the net income of the Trust Company in 1872 would have been the same as that of the B. & A. R. R. Co., we have—

	$2,362,614 69
Add State and local taxes paid by B. & A. R. R. Co. in 1872	411,134 92
	$2,773,749 61
Less interest at 6 per cent. on amount which would have been paid on the stock of the B. & A. R. R. Co	1,415,815 20
	$1,357,934 41
Less 7 per cent. interest on debt of B. & A. R. R. Co. in 1872	249,729 20
	$1,108,205 21
Less 6 per cent. interest on the amount given to the State as a sinking fund ($5,000,000)	300,000 00
Balance to be carried to new account	$808,205 21

OTHER ADVANTAGES OF NEW SYSTEM.

Under the new system a more efficient administration will be created, the expense of operating the roads greatly lessened, the rates of transportation largely reduced, the sessions of the legislature shortened by having a multitude of questions removed from the State House, and confined to the decision of the corporators, who will have no other interest but to serve the public and promote the industries of the State.

The new system is one of public management for public purposes by their own agents and trustees without private interests and with every inducement to fidelity and honesty.

In no way can the present corporations be lifted out of the atmosphere and influence of party politics but by a plan such as is here proposed, by which while the roads are to be operated under corporate management and the corporation can sue and be sued, the ultimate object is to be kept steadily in view, viz: the vesting of the entire ownership of the road in the State, so that, when finally paid for, transportation can be reduced to the lowest practicable rates, viz.: cost.

TION MANAGEMENT COMPARED.

cost (1871) $60,418,650.86; to this has been added payment of a dollar in the company treasury,

The public have been and now are taxed at the time the money was paid in or the stock created. and judges under the operation of a notoriously itself powerless to resist, and the courts are as in the past.

built with money borrowed by the State, man- Governor's Council, and at other times by the expended in principal and interest at the rate of

The State has received in tolls collected by these 7 per cent, leaving but about $7,000,000 due on canals up to 1867.

of water transportation. During all this time interest and power to promote party ends, yet ment has not been better than the Hudson River

Had the State of New York at the outset placed corporators or trustees, selected from both politi- that party triumphs or defeats could not have ble of suing and being sued, according to the have been kept out of the arena of politics and corrupt men.

EDWARD CRANE,
27 Pemberton square.

Prices Here and There.

An exchange gives us a comparison of prices for food in England and the United States. It says: Let it be understood that under the average premium of gold, one penny sterling is just about equal to 2¼ cents, that is to say, if English beef is sold at retail at tenpence a pound, it has a value equal to 22½ cents American currency. To make the comparison generally intelligible, we have converted the English prices according to this rule, and here are a few of the results. In both cases we have selected the highest quoted price:

	New York.	*Liverpool.*
Roasting beef, per pound	20	22½
Mutton	12	22½
Veal	16	22½
Turbot or halibut	25	34
Flounders or soles	15	34
Codfish	15	11
Salmon	50	67½
Lobsters	12	54
Butter	45	38
Eggs, per dozen	45	27
Potatoes, per bushel	$1 50	$2 16

The prices of poultry cannot be compared, as fowls in England are sold by the pair, while here the more exact method of selling by the pound is followed.

THE HOOSAC TUNNEL.

ENGINEER'S OFFICE, HOOSAC TUNNEL,
North Adams, Mass., Jan. 27, 1873.

To the Editors of the Boston Daily Advertiser:—

Will you oblige me by inserting the following concerning Hoosac Tunnel?

In your issue of the 25th instant, you give a brief report of my testimony before the legislative committee on Hoosac Tunnel and Troy and Greenfield Railroad. The figures given are those I used, but the meaning is obscured by reason of transcribing the repetitions made necessary by questions by different members of the committee. My statement was made with reference to the whole length of the tunnel, 4¾ miles. Of this there remains yet to be opened a length of less than 3000 feet. Of the whole distance opened up to January 1, the low galleries or headings first worked had been enlarged to nearly full size of required tunnel as follows: From the east end, for a depth of 9838 feet; in the central section, for a length of about 600 feet; and from the west end the working of enlargement has been carried, with intervals of only partial excavation, to a distance of 8000 feet, of which more than seven-eighths of the length is nearly full size of tunnel. Of the final work of trimming out to full size, there are at the east end section 2200 feet and in the west end section 4000 feet nearly complete, and also a further length of 2200 feet entirely complete.

BENJAMIN D. FROST.

(From page 22

Mississippi and Missouri rivers), form connected lines of navigation of sixteen hundred miles by lake, seven thousand miles by rivers, sixteen hundred miles by canals and ten thousand miles by railways.

As is well known, New York city has enjoyed the benefit of this concentrated traffic, conveyed between the lakes and the sea-coast through the Erie canal and the central and Southern lines of railroads in New York State for many years, but the traffic, on account of its wonderful growth—a growth far beyond the increase of facilities for accommodating it—now seeks other and more expeditious outlets, and all sections of the country lying along the sea-coast are working to offer to the Western producer the cheapest and best route to the ocean. The supposed capacity of the leading water and railway lines between the food-producing West and the consuming and importing East is, in both directions, 9,950,000 through tons, the Erie canal representing nearly one-third this amount. As has already been shown in THE GLOBE, the best authority on the question of transportation argue in favor of increased water communication between the East and the West. The Atlanta convention may not be able to add another new water-way to the Atlantic, but its discussion of the question will no doubt result in giving additional importance to the whole subject of cheap transportation.

EDITORIAL NOTES.

PROGRESS OF CONNECTION BETWEEN BOSTON AND THE WEST.—When the first mention was made of connecting Boston with the Great West—the then immensely growing West, which has advanced since that time to the importance and proportions of an Empire—the real estate owners of Boston were fearful beyond all measure lest they should be taxed for the establishment of any such communication, the benefit of which we could not foresee. The Western Railroad—now the Boston & Albany, was built in spite of all their fears and all their dire prognostications, and there it is to answer for itself. When the project of the Hoosac Tunnel road was presented to the people, it was scouted with scorn. The Western Railroad was opposed to the whole plan of having a rival communication between Boston and the Hudson River, and in the Massachusetts Legislature it had the assistance of the four old railroads which managed to control the railroad legislation of that day—the Worcester, Lowell, Providence and Eastern. These roads, or their managers, believed that they had "vested rights" in all railroad communication throughout the State. The aid of politics was called in to help out the project of the Hoosac Tunnel, which, in its early days, was not considered to be even a greater *bore* than the Western was, by the slow-moulded people who first fought against it.

So much for preliminary. The Hoosac Tunnel project has lived through all the opposition which the Boston & Albany road, with its immense influence, has brought to bear against it, and it is now admitted by even its most persistent and clamorous enemies to be a "fixed fact." Even the special organ in Boston of the Albany Railroad is moved to admit, under the circumstances, that in regard to the value of the enterprise itself, "public opinion in this section of the State has materially changed since it became evident that the tunnel road would not stop on the other side of the mountain, satisfying itself with a branch connection with the New York Central, but would in good time push on to the Lakes and open up a new and independent route to the West."

This "new and independent route" is the very result to which Boston merchants have been for a long time looking and hoping for. They want to get rid of the whole Vanderbilt cheat and despotism, as practised upon the New York Central road, which is the sole Western connection of the Boston & Albany. They want to have their business separated altogether from the control of any persons whose interests are inseparably connected with the prosperity of another city, and that city a rival. The organ and oracle of the Boston & Albany road does well to say that "public opinion" desires to have the much derided and despised Hoosac Tunnel road, or its managers, "open up a new and independent line to the West."

It is presumed that at the coming session of the Massachusetts Legislature some plan will be proposed for the consolidation of all the roads leading from Boston to the western line of Massachusetts, by the Hoosac tunnel route—the Fitchburg, Vermont and Massachusetts, Troy and Greenfield, &c.,—and to authorize the managers to lease connecting roads. Whether this can be done at the moment or not, it is certain to be done, for it is an inevitable necessity. It took a long time to effect a junction of the Worcester and Western railroads, and form the Boston and Albany, but it was done,—done for the supreme good of all concerned. Onward to the West a road will soon be in progress to connect with the smart city of Oswego, on Lake Ontario, and thence there is to be a route to Niagara river by rail, which will connect with the Great Western of Canada or with the Lake Shore, both of which lead onward to Chicago and other Western cities. This is no distant prospect, but one which is be consummated forthwith.

Besides this, at Oswego there is a whole Summer connection by water with the West,—by steam and sail vessels,—a communication not confined simply to the Summer months. The people of that section are all alive to have the consummation made, for the New York Central and its management are their bane and horror, and their hopes are largely concentrated upon railroad connection with the seaboard, which will give them deliverance therefrom.

IN A NUT-SHELL.—One of the most conclusive points made by the recent convention of farmers at Oglesby, Ill., was a statistical one, showing the commercial history of a car-load of oats shipped from Pine Rock, Ill., to Lowell, Mass. The oats were bought by the shipper at 22 cents a bushel, costing $52 24; transported to Lowell at an expense for one car of $242 22; and sold at 52 cents a bushel for $359 24; that is, at a loss of $35 22 to the shipper. No arguments need be added to this brief statement of facts to show where lies our greatest needed reform just now.

HOOSAC TUNNEL ROUTE CONSOLIDATION.

To the Editors of the Boston Daily Advertiser:—

The movement for consolidating certain railway interests to obtain control of the Hoosac tunnel route bids fair to develop an active competition from unexpected combinations. It appears that the Boston and Lowell Railway Company are endeavoring to form an alliance with the Fitchburg line for the purpose of circumventing the Vermont and Massachusetts Railway, which has always been considered a legitimate and important part of the tunnel route. The latter has struggled through long years of tribulation, incidental to the construction and maintenance of a railway line through a portion of the State, when unusually heavy expenses were involved in building the road; and where for many years the business was so meagre that ultimate failure was predicted. There were many times when the tunnel prospects were looking so gloomy and seemed in such doubt, that the future of the Vermont and Massachusetts road appeared less promising than any other railway line ever built in this State. Economy, with energy and shrewdness in the management, finally brought about excellent results, and to the surprise of many interested observers, the value of the Vermont and Massachusetts has steadily increased from its development of local resources. They have always looked forward to the completion of the tunnel as the period when they would begin to reap some advantage from the large through traffic they had in view from the commencement of their road, and to the interest of which they have always been faithful and unremitting.

The Vermont and Massachusetts Railway Company are alive to the importance and advantages of consolidation, but it seems unjust to them as a part of the through tunnel line, having the most mileage in use, that a portion of the route with fewer miles of road should now join with a line having no direct connection with the Hoosac route; evidently to avoid a consolidation with the Vermont and Massachusetts, and probably to escape the chances of having the control of their shorter portion lost to them, by being merged into the longer. Under a consolidation with the Lowell Company it would be necessary for the Fitchburg to maintain an independent working organization for all local business, as the two lines diverge too much for their traffic to be managed as a unit. These two lines have heretofore been rivals for through business: the Fitchburg connecting with the New York Central, by way of Rutland, while the Lowell road has had a large traffic in connection with the propellers by way of Ogdensburg. The completion of the tunnel will necessarily terminate the movement by way of Rutland and should benefit the Vermont and Massachusetts line; but the Ogdensburg route will probably be continued as a summer and rival line. Another feature in this scheme is the completion of the Massachusetts Central Railway, and here is found one of the most important elements in the plan for consolidating the Lowell and Fitchburg Company. The Massachusetts Central has been for several years a railway line in embryo, apparently waiting on the Micawber principle for something to turn up. Their road has not been constructed, nor has the public been able to ascertain with any accuracy where it is to be located, and many towns through which it was supposed it might ultimately pass have concluded that the parties controlling the charter were shrewdly endeavoring to obtain the largest inducements from rival localities, before deciding upon a route; while others have begun to suspect that it was a speculative affair, and would never be built till outside interests could be enlisted for that purpose.

While these opinions were prevailing, the announcement was made that the Massachusetts Central had made a contract with the Lowell road for use of the new dépôt in Boston as a terminal station. The public is not advised that the Massachusetts Central has any business location outside of the Lowell station, though it is vaguely intimated that Northampton or some other town in that region may be the western terminus of this line, which for so long a time has only existed upon paper. When this dépôt arrangement was announced, there also appears the scheme for consolidating the Lowell and Fitchburg roads, and the conclusion is soon reached that under this combination it is contemplated to try to establish a Hoosac tunnel line via the Massachusetts Central route, under auspices of these two roads, by which they hope to retain their separate organizations and at the same time direct and control the tunnel trade, by cutting off from the Vermont and Massachusetts line fifty miles of the eastern end of the direct route, thus actually preventing it from maturing the original intention of those who built the road and have had the burthen of its management during its years of trial, and have brought it to the threshold of success. This question should be carefully sifted before final action is taken, to guard against injustice and to protect the interests which have been for several years at the service of the public from being outraged by having the success they have been so patiently expecting, wrested from them for the benefit of those who avoided all risk and exhibited no interest in the matter till its strength and success were fully assured. FACTS.

THE TUNNEL AND ITS CONNECTIONS.

The opening of the Hoosac Tunnel from the eastern portal to the central shaft, which event, as you are already aware, took place on the twelfth ultimo, with scarcely an appreciable difference in the working lines from the two faces, must have demonstrated the entire practicability of this great enterprise to the most sceptical mind.

The unprecedented flow of water from the heading west of the central shaft, obliged the contractors to discontinue work at that point some six months ago. The completion of the connection eastward affords natural drainage, and they will soon be relieved from delay or expense on that account. In a few months the tunnel will be finished to the shaft from the eastern portal, and thenceforward the work will be confined to two faces. Between the shaft and the western portal there now remains about 3125 feet of rock to penetrate, and through this the contractors, who have prosecuted their labors during the season with commendable diligence, expect to have an opening some time before the end of the present year. In order to present the tunnel in a completed state at the expiration of the contract, it will be necessary to push forward every branch of the work with the utmost energy.

Under chapter 47, resolves of 1872, there has been advanced to the Messrs. Shanly since the adjournment of the last Legislature, the sum of $100,000 from the reserve fund, to secure the payment of which a mortgage of their tools and machinery was taken. There has also, under the second clause of said resolve, been issued to them certificates of indebtedness to the amount of $200,000, payable without interest on the completion and acceptance of the tunnel.

The Commonwealth should immediately prepare itself to reap every legitimate benefit to which it will be entitled upon the consummation of this vast undertaking. By means of the tunnel our chief city may not only be brought into shorter and more direct communication with the great lakes of the West, but through this channel Chicago will be brought nearer to the tide-water of our own State than it now is to New York city. In this view of the matter, the interests at stake are of such consequence that they cannot properly be remitted to a careless or secondary consideration.

While the tunnel proper has been well constructed, the road thereto from Greenfield, like all others of which the engineer and contractor are one and the same person, is wholly unfit for any considerable traffic. Built for a temporary purpose, and in the cheapest possible manner, the necessities of the immediate future require an improvement of the grade at many points, a straightening of the location at others, a protection of the embankments, an enlargement and a strengthening of the bridges and culverts, and a general renewal of the road-bed and superstructure. Furthermore, a considerable expenditure must soon be made upon the Fitchburg and the Vermont & Massachusetts roads, if we would avail ourselves of the opportunities to be afforded by the tunnel. In the location of the Vermont & Massachusetts changes are required to shorten the distance, improve the grade, and lessen the number of bridges, while the road-bed and superstructure must be in great part renewed, and a double track laid for the whole or a portion of its length. Without commenting on the general management of the Fitchburg road, it must be said that its equipment is not equal to the necessities of a greatly increased business; its facilities need to be multiplied at least fourfold, by the construction of several first-class grain elevators, and the adoption of various approved appliances for receiving and handling freight.

What shall be done to secure the requisite improvements on these several roads, so that the Commonwealth may obtain the business naturally coming to the seaboard by way of the tunnel, is one of the most important questions now waiting legislative answer. Properly managed, this line from Boston to the State's western frontier will be one of the best investments ever made. I am fully persuaded it cannot be operated to the satisfaction of the public while in the hands of several separate organizations. To secure efficiency of action and direct responsibility, the entire route must be brought under the immediate control of one body, and be operated by one head. And in my judgment the necessary improvements are more likely to be made in a proper manner by one authority working for the general interest, than by several working each for its own specific interest. I am in favor, therefore, of the early consolidation of these roads so that they may be operated and managed as a single line.

I very well know that serious objections to such a combination exist in many minds. There is a fear that the railway interest, already so powerful that it frequently exercises an injurious influence upon legislation, will be rendered even more dangerous by such a union. But the practical question in this exigency is simply whether one corporation will be more or less dangerous to the public welfare than three or four. It seems to me that there will be greater difficulty in contending with several organizations, each proud of its independence, but ready to shirk its responsibility, and swift to combine with the others to carry any desired measure, than with one controlled by a single head which can be made accountable to the people and the Legislature for its acts. And no one at this day doubts that an unbroken line is more efficiently managed by one corporation than by several. Looking at the problem from every point of view, and carefully weighing all the advantages and disadvantages of either solution, I am decided in the conviction that the tunnel route should be consolidated at the earliest practicable day.

In providing for this consolidation, as in chartering any new line, the Commonwealth does not abdicate its supreme authority in the premises. The corporation will be but the servant of the State, intrusted with certain powers to be used for the public good. If at any time it becomes false to its trust, and uses those powers for private and selfish ends to the detriment of the general welfare, it will be the duty of the State to resume its own. I trust your honorable bodies may be able to frame an equitable act of consolidation which will be accepted by the roads interested in good faith. Should either of them refuse to accept the legislative terms proposed after careful consideration of the whole issue, much as I should regret the necessity for such a procedure, the interests of the State are so manifold and imperative that I see nothing for her to do but take the matter into her own hands,—the end of paramount importance being to put the entire line in readiness as soon as possible for the great work coming to it with the completion of the tunnel.

As the funds for building the tunnel are drawn from the public treasury, we must take care that the line using it does not become a monopoly. Provision should be made in the act of consolidation for harmonious relations with connecting and neighboring lines. Every other road in the State, so desiring to do should be allowed to intersect the through line and receive and discharge freight and passengers on a fair and an equitable basis, that it in turn may be enabled to deliver to the dwellers along its route a portion of the benefits of this new avenue for commerce and transportation. With the proposed consolidation effected, and these distributing agencies made possible, I doubt not we shall speedily find the tunnel route a favorite with shippers and travellers, and a great source of revenue and advantage to our people.

The tabular statement of the grain fleet which has sailed from San Francisco up to January 1, 1873, shows the total number of vessels carrying the surplus grain of California to be two hundred and four, and the centals (one hundred pounds) 5,231,257, valued at $9,244,795. During the next six months San Francisco expects to ship as much more grain, which is now sacked and stored and waiting for vessels to carry it. The State will be able to spare $20,000,000 worth of grain this year, and if the present season should continue as it commenced, it will in all probability have a much larger surplus. In this connection, it is to be regretted that American vessels form so small a proportion to those of foreign nations in the Pacific trade. Three-fourths of the ships that carried the grain from San Francisco, last year, were foreign, the freight-earning of which really belongs to this country. In respect to the future price of California wheat, we notice that the farmers of the State are forming clubs, with the view of securing a more equitable share of the immense profits derived from the raising of that cereal, and these clubs, if properly conducted, cannot fail to result in great benefits to the agricultural interests of the State.

At a meeting of one of these farmers' clubs, recently, the "carrying trade" was thoroughly discussed, showing that the agriculturists of California are familiar with the tyranny that operates against the producing classes, especially as respects the leading railroad in their own State. "In former times," said one of the club, "the rates of freight were reasonable, but now the railroad companies are combined, and they consider how much they can possibly collect on it." And this is the literal truth. It is not the rate at which they can afford to carry and realize a fair profit on their investments, but how much any article of commerce can bear without positively breaking down, which regulates the freight charges of these corporations. In former times they could not put this oppressive rule in practice because there were still a few opposition lines of carriage upon the rivers and by other railroads. But these absorbed by purchase, the monopoly has now no opposition anywhere, and the farmers and every other class are completely at the mercy of one company. It is well known, also, that the farmers of the Western States, last year, were taxed from thirty to forty per cent. more than they were in 1870 for the transportation of their crops to the Atlantic seaboard. At one end of the roads of the combination, bread enough to supply all the cities of the world is even now wasting, as it were, while at the other end thousands of the poor are starving for bread, figuratively speaking. And this condition of affairs is wholly due to the power of tyrannical combination, resulting in exorbitant freight charges.

But a fight by the farmers against the monopolists is a fight against giants. This is only another reason for making the fight, say the farmers, and making it before these giants shall have succeeded in binding the country, hand and foot, as slaves to be whipped and cuffed at their pleasure. The farmers of California are not alone in this warfare against high rates of freight. The yeomanry of Illinois, Iowa and other Western States, whose billion and a half bushels of corn are awaiting transportation to the seaboard at low rates, are seeking the proper legislation for a cure of the great evil. The suggestion that Congress interfere in behalf of the agricultural interest is a timely and just one, notwithstanding some of these giant corporations derive their power from the very men these farmers and others help to send to Congress. In view of the great prospective foreign demand for American breadstuffs and provisions, this year, it is hoped that the producers, as well as the carrying trade, will have a chance to realize something like a fair price for their labor. The surplus of cereals in the country is very large, only about one-eighth of the crop of 1872 having yet reached the seaboard. A liberal movement of the crop at remunerative figures would put cash into the pockets of all the producers, thus not only creating an easy money market throughout the grain-producing States, but exerting a healthy influence on trade in the Eastern markets.

THE TUNNEL RAILWAY ROUTE.

The contractors of the Hoosac tunnel have prosecuted their work with reasonable energy during the year just closed, and you do not need to be informed that they opened a passage through the mountain on the 27th of November last. I feel that we should fail of our duty in the premises if we did not recognize the remarkable skill and unwearied patience of the engineers in charge of this great undertaking. The scientific men of Europe were highly elated on the opening of the Mont Cenis tunnel, when it was ascertained that the working lines thereof varied only half a yard at the junction of the headings. But the largest error found in the lines at the opening of our tunnel was but nine-sixteenths of an inch, being less than one-sixteenth of an inch per thousand feet of advance. Such perfection of engineering is without parallel in works of this nature, and our engineers and contractors have a right to exult in the success of their arduous labors.

The first step in this tunnel enterprise was taken in 1848. From the beginning the history of the work is a story of struggle, imminent failure, skilful pluck and unexampled perseverance. The friends of the undertaking have pushed it with a valor that would not be defeated, while its opponents have fought it with an obstinacy worthy a better cause. Now that it is so near its completion we may concede that it would scarcely have been entered upon if the immense difficulties to be overcome had been clearly foreseen. To reach the point we now occupy has taken four times as long and cost three times as much in labor and money as was anticipated.

In the early stages of the enterprise the towns along the tunnel line taxed themselves heavily to provide means for its prosecution, and the strong men of that entire section gave their whole energy to its promotion. But the solid mountain was too vast a barrier for private capital and labor, and in 1862 the State was obliged to assume the work or see it come to an utter failure. New plans were adopted, new methods organized, and new energy infused into the project. This phase of the undertaking continued five years, at the end of which time the mountain had been penetrated nine thousand three hundred and forty-one feet. Then came the final crisis. There was a lack of harmony in the administration of affairs, the people had become tired of State management, and strong efforts were made to secure an abandonment of the enterprise. But the Commonwealth was determined to have a tunnel, and these efforts signally failed. Thereupon a contract was made with the Shanlys to complete the tunnel by the first of March next, at a cost of $4,594,268. From this point dates assured success. Notwithstanding the peculiar and vexatious obstacles encountered, the contractors have made steady and continuous progress.

Today we have every reason for believing that the remaining work will be advanced with such rapidity that in eight months the tunnel may be ready for use as a part of the through railway line. When completed it will be four and three-quarters miles long, of sufficient size for a double track, and to allow cars of the largest dimensions to pass each other without difficulty. With this prospect for the year on which we have just entered, it behooves you, as the immediate representatives of the people who have put their money and their hopes into the enterprise, to weigh well the action you must take to secure advantages they expect to derive therefrom.

The State's consulting engineer has made a careful examination and survey of the railway from Greenfield to the tunnel, and will present his report at an early day, accompanied with estimates and a map, indicating such alterations in the line, to diminish the curves, improve the grades and strengthen the embankments, as he deems necessary to place the road in good condition for the traffic that must pass over it. The execution of his plans will make it fully equal to the mountain division of the Boston and Albany line. If it should be deemed advisable hereafter to change the location of the road, in order to shorten the distance and meet the demands of increased business, the present line will be required for freight purposes, and no loss will accrue by reason of the suggested improvements. Provision has been made for the construction of the necessary bridges and the laying of the track between North Adams and the tunnel, and also for the extension of the track east of the mountain from the present depot to the end of the tunnel, so that if you decide to adopt the recommendations of the engineer, and furnish the means at an early date for carrying them into effect, it is believed the entire line west of Greenfield can be made ready for business by the first of September next. The alterations requisite on the road from Fitchburg to Greenfield are much greater, and a much longer time will be required to make them, but the existing line can be used till these needful changes and improvements are consummated.

The most important question pressing upon us for answer at the present session of the General Court is, What shall the State do with its forty-four miles of railway and tunnel? The benefit which the people of the Commonwealth are to derive from the undertaking now so nearly finished depends in a very large degree upon the proper solution of this problem. Conflicting interests, rival railroads and personal considerations naturally divide popular sentiment in regard to this subject. While there is such variance in the views of the people, no one need wonder that there is some difficulty in harmonizing the views of their representatives.

The original purpose with respect to the tunnel was to open, in conjunction with roads then in operation, a new and competing line between Boston and the Hudson River. The situation has somewhat changed with the lapse of years since the work was begun. The objective point is still a point reached over the Boston and Albany, but consolidation and concentration of business have altered the conditions of competition. The Boston and Albany has now a double-track, fully-equipped road, and by its connections and contracts is measurably enabled to control freight to the lakes. That the population along its line requires and sustains frequent and rapid passenger trains, by which it can without much additional expense meet the demands of through travellers, must for many years to come give it decided advantage as a passenger route. In other words, its facilities for every kind of transportation are such that it can offer great inducements to the western roads to turn their business to its line. A strong corporation is essential to fair prospect of a successful competition with it. The physical superiority of the new route cannot be relied upon to accomplish everything. Nor will it be possible to succeed if the tunnel line is in the hands of several boards of management, each of which has a special interest in the section of road it particularly represents. But in order to secure an energetic and effective operation of the line, it ought to be placed in the direct control of a single board, thoroughly comprehending the magnitude of its task, able to equip the whole road in the best possible manner, and capable of appreciating the opportunity now offered. Thus and thus only, in my judgment, can the new route be made to realize the reasonable expectations of the public.

Shall the State undertake this work? I am aware that numbers of our best citizens believe she should, but I confess that I have had strong misgivings from the first, and doubt the expediency of such a course as much today as ever. I know that it is said that other governments have tried the experiment and brought it to a successful issue. But we must not forget that our government is different from any other. It seems to me that our annual change of administration, our sudden political revolutions, and the too prevalent idea that spoils necessarily belong to victors, would essentially interfere with the stable and economical management of a railway. Furthermore, it would be impossible for the State itself to operate a railroad, for the reason that the State cannot be sued, and questions are constantly arising between the customers and the management of railways that require judicial investigation. Hence the experiment which it is demanded we should try seems to me practicable only through a board of trustees organized as a corporation, capable of suing and being sued, and with full power to manage the line.

In considering this aspect of the matter perhaps we may draw a profitable lesson from our experience in undertaking as a State through a commission to excavate the tunnel. The annual appeals to the General Court for new legislation and further appropriations, the tedious and repeated hearings before the governor and council and legislative committees, so wearied the different branches of government that they finally determined to endure the perplexity no longer, and thereupon the contract was given to the Shanlys, in the conviction that private enterprise could carry on the work more economically and with far less trouble. Even now claims that were settled by the tunnel officials during the period of State management are annually presented to the legislature, on the ground that the commissioners were simply agents whose accounts should be re-adjusted by the higher tribunal; and as the hearings on these memorials are mostly *ex parte*, the petitioners frequently secure the favorable report of bills making further allowance in respect to claims that no one would attempt to bring before a tribunal of persons acting in a private business capacity. If we embark the State on this new enterprise of railway management, we invite manifold enlargement of difficulties and perplexities from which our predecessors were glad to escape, and bring upon the Commonwealth an expenditure and indebtedness the magnitude of which no human foresight can predict.

But while I am opposed to engaging the State in any business that can better or as well be prosecuted by private enterprise, and believe the management of a railway wholly outside its legitimate province, yet if the experiment must be tried, perhaps the present may be considered as favorable an opportunity as may be expected to occur. It would seem preferable to lease the connecting roads rather than to buy them, because in case of failure it would be easier to re-let than to sell.

The popular demand that the tunnel shall be retained by the State is too evident to be overlooked or ignored. Just at present the general sentiment appears to be that it must never become part of a consolidated line. While I do not fully sympathize with this sentiment, but believe a different view will ultimately prevail, yet we must accept the situation as it is presented to us, and apply ourselves to the wisest solution of the problem that is practicable under this aspect of affairs.

Since the tunnel was begun additional railways have been projected that seek a connection with the new line and demand equal facilities therewith. These side, and to some extent conflicting, interests increase the difficulty of deciding how to dispose of the tunnel so as to bring the greatest benefit to the whole body of our people. It is a fairly settled result of railway experience that it is dangerous and highly inexpedient to allow independent lines to operate the same section of road. Hence, if there must be reserved to these other companies the right of equal advantage through the tunnel with the main line, the State may retain its ownership of the tunnel and the Greenfield road, and make provision for their management through agents or trustees. It would not be advisable to retain the tunnel and sell the road, for the connection is such that in this event the State would be at the mercy of the parties operating the road. It would be bottled up in the tunnel, without power to extricate itself, except upon such terms as the railroads dictated.

The wisest solution now possible of the grave problem before us may be to place the entire interest of the State in the hands of a board of trustees. The duties of such a board would be limited and simple. They could either operate what the State owns by furnishing the motive power themselves, or so long as there exists but one road on either side the mountain that connects with the tunnel, they might contract with this road for the operation of the State's interest. The objection to the management by the State of the section which it owns lies in the danger that the line would be weakened by dissipating the business and severing the through connection. For it is not alone the community directly served that will derive benefit from building up a strong through line in connection with this route. The tunnel can be made of advantage to the Commonwealth far beyond the amount of business actually passing through it, by its power to control or regulate business that will continue to flow in its old channels on existing lines between the east and the west. But to maintain this power and render it effective, the tunnel line must be directed and managed by a strong organization of some kind. If the plan I have suggested is adopted, the trustees of the State should be appointed for a term of years, that there may not be sudden and frequent changes of management, and that the line may be beyond the influence of political upheavals.

The corporation entering this new field must have broad and far-reaching views of the work before it. It must possess the strength requisite to make the necessary improvements and equip the whole line in the most thorough manner. It must be in active sympathy with the people of the State, and alert to bring business to the line, as well as prompt in the accommodation of what naturally seeks it. It must be wise enough to deal judiciously and patiently with local rivalries and jealousies, and not over-anxious to make large dividends at once to the prejudice of future prosperity. Thus seeing and meeting its opportunity, it will eventually give us what has so long been desired, a shorter and quicker route than now exists between the tide-waters of our State and the great lakes of the West. With the realization of this desire we should be compelled to say that the gain and profit of the tunnel outweigh all its cost.

RAILROAD CONSOLIDATION.

Union of the Lowell, Fitchburg and Nashua Roads—Their Present Extent and Possible Magnitude When United—What Has Been Attempted—The Situation as Seen in New Hampshire.

The announcement that the consolidation of those two important Massachusetts railroads, the Lowell and the Fitchburg, is seriously proposed has already been made in these columns, though, perhaps, not in that detail which the general interest felt in the project demands. That such a union contemplates the establishment of a powerful competing line for through travel and transportation, east and west, bringing the grain-producing section of the country in more advantageous connection with this port, gives rise to this interest, rather than the immediate effect the union might have upon the fortunes of the two roads, locally. The principal existing line, the Boston and Albany, is doing well in the respect of through transportation, but the belief is prevalent that it needs the stimulus of lively competition to prompt it to do its best; and even if this be not so, the capacity of this line, when developed to its utmost, would solely be unequal to the task of making Boston that great exporting city which its friends and champions fondly predict that it is at no distant day to become. The early completion of the Hoosac tunnel, possibly during the present year, is assured. That, upon that event, a corporation of abundant financial resources shall be ready to assume direction of the tunnel line is regarded the chief merit of the proposed measure of consolidation.

The Boston and Lowell corporation has a chartered capital of $3,000,000, and, adding to this acquisitions of branch roads, real estate and other property made by purchase, some of which, however, is not yet paid for, represents a value of about $5,000,000. The Fitchburg corporation has a chartered capital of $4,000,000. To this should be added the capital of the Lowell and Nashua road, $800,000. The consolidation of the three would give, including branches, a total of 250 miles of road. The scheme contemplates an exchange of depot locations in this city between the Fitchburg and the Eastern companies, which would give the latter the most easterly position, naturally belonging to it. This change would do away with the existing and yearly increasing liability to collisions at the grade crossings of these roads, a most important advantage when the prospective development of railroad business is considered. The transferred Fitchburg depot would be contiguous to the Lowell depot, or with a passage way of only twelve feet wide between. Independent tracks would be maintained for local purposes, or for the running of trains over the existing chartered routes. The new passenger depot of the Lowell road, now nearly completed, has a capacity of four tracks of five hundred feet length each, with room for the laying of two other tracks of equal length whenever circumstances may require.

It is generally known among those who take interest in railroad matters that the Boston and Lowell corporation have heretofore made efforts to secure a share of the Western traffic by the establishment of a consolidated line through New Hampshire and Vermont, via Ogdensburg. To this end a charter was obtained from the Massachusetts Legislature in 1869, which authorized the consolidation, under the name of the Great Northern road, of the Boston and Lowell, the Lowell and Nashua, the Concord road, extending from Nashua to Concord, N. H., and the Northern road, extending from Concord to White River Junction. The charter gave the right to lease or purchase the Vermont Central, the Vermont and Canada, the Ogdensburg and Lake Champlain, the Montreal and Vermont junction and the Stanstead, Shefford and Chambly roads, and any of the railroads operating with them, and also the line of steamers running between Ogdensburg and Chicago and other lake ports. The capital stock of the Great Northern, if thus consolidated, was not to exceed the combined capital of the four consolidating roads, and ten million dollars for equipping the new road, and forty million dollars for purchase of other roads named in the charter. The full consummation of the project would require the sanction of other Legislatures. The scheme, however, has proved impracticable, principally through the connivance of inimical persons in the State of New Hampshire. By means of some political jugglery best known to the "Concord railroad ring," the legislative action of that State has been adverse, and the control of the Concord road has been secured by parties opposed to the consolidation.

The first step proposed accordingly is to obtain from the Legislature of Massachusetts a modification of the charter of the Great Northern road, so as to permit of a union with the Fitchburg road and connections. A petition to this effect will soon appear on our legislative docket. No action has yet been taken by the Fitchburg corporation, but the matter will be brought up at the annual meeting of its stockholders, and previous to their action no definite statements can be made nor any actual assurance given of the success of the project. The advantages to the three roads thus derivable are obvious, though the disadvantages, if any, may not yet be disclosed, but prima facie there seems to be a unity of interest in the matter as respects the city, the State and the several corporations.

The "Concord ring" are evidently aghast at the prospect, and see in the success of the enterprise the dawn of a "day of small things" for their beloved State. The Nashua Telegraph laments as follows:

What is the naked proposition involved in this scheme of consolidation? It is nothing less than placing the two great avenues between the capital of New England and the West, by way of Vermont and New Hampshire, under one management. It needs no argument beyond a statement of the case to show that the tying up of two independent avenues between Boston and the West presents one of the very worst forms of railroad consolidation. The Boston and Lowell road is the terminus of one avenue and the Fitchburg road the terminus of another. One is a New Hampshire and Vermont route; the other is a Massachusetts and Vermont route. They are as diverse as the poles, and will remain so unless the people in their blindness sanction their union in one giant monopoly.

To which the Concord Patriot calmly replies:

It is plain that whatever injury results to New Hampshire roads and interests from Gen. Stark's proposed arrangement with the Fitchburg road, will be the direct and natural effect of the operations of the Concord railroad ring. Railroad men will protect their own interests—will form combinations to head off rival routes, and in their rivalries the public interests are little regarded. How far New Hampshire interests may suffer in this case time will tell; but we can now see where the trouble originated, and who struck the first blow, and while we shall regret to see our own railroad interests injured in any degree, we shall be mild in our condemnation of a measure which our own people have made one of self-defence.

THE FITCHBURG RAILROAD.

The timely remarks contained in the message of His Excellency Governor Washburn, as to the necessity of developing the freight facilities of the Fitchburg railroad, fully bear out the truth of what we have said in censure of the want of enterprise of that corporation. Placed at the mouth of one of the most important outlets for Western trade which the country affords, that company has done little or nothing in the way of furnishing facilities for transporting, receiving and handling the immense freight which is seeking the readiest way from the West to the seaboard. What should legitimately build up the commerce of Boston is turned off to New York, Montreal, Portland and other cities, in consequence of the sordid and mistaken policy of that corporation. The Governor, in view of the early completion of the Hoosac tunnel, and the great stimulus which the opening of the tunnel line will give to the prosperity of the State, has earnestly besought the attention of the Legislature to the importance of preparing the way, so that the Commonwealth may fully avail itself of every legitimate benefit that will result from this vast undertaking. In reference to the Fitchburg company he says: "Without commenting on the general management of the Fitchburg road, it must be said that its equipment is not equal to the necessities of a greatly increased business; its facilities need to be multiplied at least fourfold, by the construction of several first-class grain elevators and the adoption of various approved appliances for receiving and handling freight."

It is a highly discreditable thing to that company that, while its road constitutes the Eastern section of the great lines of transportation from the lakes and from the Western country, it has not a single grain elevator upon its premises for the reception and storage of gram in transit for the seaboard and foreign markets. Its timid and restricted system of operation is entirely inadequate to the commanding position which it occupies as a principal outlet for a national transportation, and would hardly be worthy of a local branch road. With an enormous amount of profitable business literally begging to come upon its tracks, it continues on in its ill-advised policy of exacting the largest possible profit from the smallest amount of work, and stupidly permits the most splendid opportunities to slide from its grasp. The capacity of that road is larger and it should be developed, for the good of its stockholders as well as for the benefit of the public. There is not the slightest risk or danger of loss in providing means to receive the great trade which naturally seeks the Fitchburg road for its outlet. The experience of the Boston and Albany road abundantly demonstrates that grain elevators are a very profitable investment, and that they attract new business in a ratio far beyond the cost of their structure and management. The elevator of that company at the Grand Junction wharves is already a valuable source of revenue, and has so largely added to its freight receipts that it has been found necessary to double the capacity of the structure in order to accommodate the increasing grain business. In this case, as in all others in railroad management, an increase of facilities has led to a larger proportional increase of business.

The Fitchburg company is far behind the times, and, for want of enterprise, has imposed a serious clog upon the commerce of Boston. The question whether it shall longer be permitted to pursue its traditional policy of inaction, and thus abuse and pervert the privileges conferred upon it for the public good, becomes one of the most serious importance, now that the benefit of the large expenditure by the State for opening the tunnel is about to be realized by the completion of that work. The Commonwealth has now a direct interest in making the tunnel line available to its fullest extent, and in the shortest possible time, in order that the public means, so liberally expended, may produce the anticipated good. If the Fitchburg company stands in the way as an obstacle to the accomplishment of this result, the State must assume its supreme authority and remove the obstacle. The vigor and decision of Governor Washburn's remarks upon this point will be hailed with approbation by the people.

There will be little sympathy for the Fitchburg company if it shall persist in acting like the dog in the manger; for the facts as to the inefficient management of that corporation are too apparent to admit of denial. At the present moment, England and France are calling for the breadstuffs of the United States to supply the deficiences of their European resources, and our Western country is overburdened with grain; but for want of adequate facilities for receiving the surplus products of the West and delivering them to the steamships at our wharves, the foreign commerce of Boston is paralyzed. For this shameful deficiency, the Fitchburg company is more largely responsible than any other railroad in the State, and if not now content to follow where it might have led, no one will regret to see it superseded by an active and efficient consolidated company.

THE GREAT RAILROAD CONSOLIDATION AND THE CROSSINGS AT PRISON POINT. A most excellent opportunity will soon present for carrying out an important improvement in connection with the railroads entering the city from the north and east. The consolidation of the Boston, Lowell and Nashua and Boston and Fitchburg Railroads, and the lease of the Massachusetts Central by the combined corporations, will afford an occasion for several radical and much needed changes in the terminal facilities of the railroads at the North End. Should the Fitchburg abandon its present passenger station upon the completion of the new Lowell depot, the capacity of which will be ample for accommodation of the traffic of all the roads entering into the combination, the Eastern Railroad, instead of rebuilding upon its present site, could take the granite depot of its neighbor. Being the eastern-most road, by an exchange of tracks with the Boston and Maine, all the crossings this side of Somerville, including those of the Fitchburg at Prison Point, may be avoided. The Boston and Maine would by this means be relieved of the crossings of the Fitchburg road at Prison Point, and the Eastern at Somerville; the Lowell and Massachusetts Central would come in on the same tracks, and the Fitchburg, by diverging to southward at East Cambridge, could form a junction with the tracks of the Lowell road. It is not improbable that some such changes as these will take place, although no definite plan has been agreed upon.

Among the permanent improvements made by the Providence and Worcester company is the building of a grain elevator at Providence, of a capacity of two hundred thousand bushels. This significant indication of the foresight and enterprise of that corporation should not be lost sight of by the managers of our Massachusetts lines. Here is a short road, extending some forty or fifty miles from the seaboard at Providence, R. I., to the heart of Massachusetts at Worcester, and tapping the freight business from the great West at that point. To accommodate that business this small but energetic company does not hesitate to provide the means for storing and shipping grain, by establishing wharf and elevator facilities, while the over-grown and sluggish Fitchburg company of our own city, with far greater means at its command and infinitely larger resources for through business, cannot be galvanized into action. We glory in the enterprise and perseverance of the Providence and Worcester company. It shows that it understands business and means to keep up with the times; and if its shrewdness and sagacity in establishing low charges and providing terminal facilities would operate as a stimulus to arouse some of our Boston dreamers to action, the business community would have cause to rejoice.

1873

WATER TRANSPORTATION.

We have in former articles upon the subject of transportation insisted that present or prospective railroad facilities could never fully meet the demands upon them for the transportation of the products of the West. This idea is rapidly gaining ground in the great wheat-growing regions of the country lying in the Mississippi valley and beyond, and the availability and capacity of the great natural water channels to the ocean are being earnestly discussed. The papers of the grain-raising States are keeping the subject persistently before the people, and it is not improbable that the feasibility of the plans which, to-day, seem almost chimerical will be practically demonstrated within the next two years. The prominent idea is the organization of lines of barges on the Missouri river and its larger tributaries, which would give the farmers of Kansas, Nebraska, Iowa and Missouri a cheaper and readier outlet for their grain and a continual market, and the necessity of burning corn for fuel would be permanently obviated.

Those who have made the matter a study know that barge transportation is the cheapest and easiest known method of conveying freights. It has been extensively used on the Mississippi and Illinois rivers, the results demonstrating the capacity of the barge system in solving the problem of cheap transportation of grain in bulk. Pilots and engineers acquainted with every navigable foot of the river, assert the perfect feasibility of the plan. The only possible drawbacks are the occasional channel obstructions in the form of wrecks of trees which have been suffered to accumulate, but which a determined effort could remove. This has, up to the present time, rendered water navigation, cheap as it is, double what it would have otherwise been. From the latter part of March to the first of August the Missouri affords an excellent stage of water from St. Louis to Sioux City, a distance of 1040 miles. With tow-boats and barges of proper construction in sufficient numbers, the whole grain crop of Eastern Kansas and Nebraska and of Western Missouri and Iowa might be brought to St. Louis at a cost of not more than 10 cents per bushel, from the farthest point—Sioux City—and, of course, for a less rate from Omaha, Nebraska City, Arago, Belmont, St. Joseph, Leavenworth and ports below. There is little doubt that, with a well-organized system of barge transportation on the Missouri, grain in bulk could be shipped to New Orleans from Sioux City at a rate not exceeding 18 or 20 cents per bushel. Grain has been shipped from New Orleans to New York by sea at 13 cents per bushel, making the whole freight rate from Sioux City to New York, via river and sea, from 31 to 33 cents per bushel.

But the Missouri river, which affords a little over 3300 miles of navigation from Alton to Fort Benton, is not the only route to the sea offered by natural channels; the Mississippi from St. Paul to the Balize furnishes about 2000 miles of navigable water way. Besides these there are the Ohio, the Illinois, the Osage, the Tennessee, Cumberland, Wabash, White, Arkansas, Red, St. Francis, Ouachita, Yazoo and Sunflower rivers, affording, in the aggregate, 15,000 miles of navigation, intersecting all parts of the great basin between the Appalachian range and the Rocky mountains. These, draining half the present productive area of the continent, would find one common channel in the Mississippi, and one common outlet into the Gulf of Mexico. Taking St. Louis as the great central point of the grain-growing region, it is estimated that with seven-ninths of the patronage between the East and West, and the enormous estimates for constructing the canal and improving the Ohio, still grain could be transported to Hampton Roads from St. Louis at a cost of only ten and a half cents per bushel for the entire distance of 1525 miles. Estimating the actual cost of railroad transportation at one-half what railroad men say it costs—that is, at one half cent per ton per mile—and still the cost for a bushel of corn for a distance of 1525 miles would be a fraction over eighteen cents. These facts show some of the advantages of water transportation.

Beside this scheme, which would seem to divert an immense amount of the grain traffic through Southern ports, another has lately been broached which is rapidly gaining converts, for the transportation of wheat, without breaking bulk, from Duluth, at the extreme western point of Lake Superior, to Liverpool. Of course this would include all intermediate grain ports. The matter was brought up, a short time since, in the Iowa State Agricultural convention and thoroughly discussed. The route from Duluth would take a vessel across the entire length of Lake Superior, by the Sault Ste. Marie into Lake Huron; thence due east into Georgian bay; thence from its southwestern extremity into the Nottawasaga river, and along that stream, by means of locks, to within nine miles of Lake Simcoe. Here it is proposed to cut a ship canal nine miles long, capable of floating a vessel of one thousand tons burden. From the southern extremity of Lake Simcoe the course would lie up Holland river, which, according to the plans, would be improved by locks and dams. From the highest navigable point of this river another canal, ten miles in length, would lead into the Humber river, and thence into the deep waters of Lake Ontario. The rest of the way, up the St. Lawrence to the Atlantic, is clear. This route would convey a ship of one thousand tons burden from Duluth to Liverpool, with but forty miles of close canal navigation. Practically, it would be almost an air line from Duluth to Liverpool, and would shorten the distance between the two cities eight hundred miles.

There is a strong likelihood that this plan will sooner or later be carried out. It would drain a different section of country from the Missouri and Mississippi tributaries, and would be in no sense a rival to that trade. Neither would it interfere with the Welland canal route, for with the increasing development of the Western agricultural States all these channels of transportation will be taxed to their extremest limit to supply the facilities demanded. Transportation at cheap rates means wealth to the interior, and every public work, whether railroad or canal, that takes to the seaboard or other markets of consumption or distribution, a thousand tons of produce that would otherwise remain, and that affords the produce a remunerative return, adds so much wealth to the community so accommodated. For this reason we hope to see an energetic pushing of all plans which will conduce to such a result.

Daily Adv. Jan 7, 1873

With regard to the proper mode of utilizing the tunnel, his excellency waives an opinion which he held decidedly last year and still believes in. He again points out the necessity for a strong corporation to manage this line; once more he argues conclusively the inexpediency of the State's undertaking the work; he admits not only that he does not sympathize with the hastily-formed and mistaken notion that the tunnel should be reserved from the consolidated line, but that he believes that the other view will ultimately prevail. Yet he thinks this the best time to try the experiment "if it must be tried," and proceeds to suggest a plan, which in our opinion would render the formation of a strong corporation impossible, and preserve in a very objectionable form many of the disadvantages of keeping the tunnel out of the control of the consolidated line. This is not the time to discuss at length the problem of the tunnel, and we do not know that the opportunity will arise at this session for a preference between an acceptable plan of private management and the best form of State management. But we regret that his excellency did not leave the advocates of the latter policy to their own devices, and earnestly recommend what his better judgment clearly approves,—namely, the union of all the roads forming the through line to Troy. Daily Adv. Jan 7, 1873

1873

The Cheap Transportation Movement in Massachusetts.

A meeting of the "National Anti-Monopoly Cheap Freight Railway League" was held at the Boston Commercial Exchange, yesterday afternoon, at three o'clock, Hon. Josiah Quincy in the chair, and Herbert Radclyffe, secretary. The report of the committee on organization was submitted and accepted. It recommended the dissolution of the league and the formation, in its place, of a Massachusetts branch to the "American Cheap Transportation Association." The following officers were elected: Vice-president, Edward Kemble; secretary, Herbert Radclyffe; treasurer, John B. Bartlett; executive committee, William Claflin, William B. Spooner, Henry J. Nazro, John J. May, George F. Stone and J. W. Hagar. It was voted that Herbert Radclyffe be a delegate to the convention of Governors and delegates from the Granges and Farmers' Association, which is to take place at Atlanta, Ga., on the 20th of the present month.

During the meeting, the Hon. Josiah Quincy made an interesting address, touching on the sentiment at the West and East on the railroad question. The executive committee will shortly meet and form a programme for the movement in this State, and a public meeting is likely to be called during next month.

Boston to Hoosac Tunnel

136 miles

	Boston,	Gardner,	65
3	Cambridge,	Templeton,	69
6	Belmont,	Baldwinville	71
7	Waverley,	Parker's	74
10	Waltham,	Royalston,	77
12	Stony Brook	Athol,	83
13	Weston,	Orange,	87
17	Lincoln,	Wendell,	90
19	La. Walden,	Erving,	92
20	Concord,	Grouts'	98
22	Con. Junct'n	Montague,	102
25	So. Acton,	Greenfield,	106
27	W. Acton,	W. Deerfield,	110
31	Littleton,	Bardwell's	114
35	Ayer Junct'n	Shelburne Falls.	119
40	Shirley	Buckland,	122
46	Leominster,	Charlemont	128
50	Fitchburg,	Zoar,	132
52	W. Fitchb'rg	H. Tunnel,	136
54	Wachusett,	*Turner's Falls Br.*	
55	Westminst'r	Montague City.	109
61	Ashburnh'm	Turner's Falls	111

Outward Check

A. T. Kimball, Conductor

BOSTON AND CHICAGO RAILROAD.

HOW TO USE HOOSAC TUNNEL.

The Cost of Moving Grain from Chicago to Boston —The Advantages of the Proposed Route.

ADDRESS

BY

Edward Crane,

AT THE

BOSTON COMMERCIAL EXCHANGE.

[Reported for the BOSTON JOURNAL OF COMMERCE.]

The Boston Commercial Exchange, having invited Edward Crane, Esq., to address them on the subject of the Boston and Chicago Railroad, he made a brief address before that body at their rooms on Thursday last. The following is the subject of his remarks:

For about twenty years the Hoosac Tunnel has been a subject of conversation and debate, and to some extent a matter of interest to the people of Boston. The work upon it has been chiefly done within seven years last past, and it is confidently and reasonably anticipated that by the Fall of 1873, or the Spring of 1874, the work will be completed and an iron track laid through the mountain.

The near prospect of the completion of this gigantic enterprise suggests the question: How can Boston, how can Massachusetts, utilize the immense opportunities which the completed tunnel will put within our reach?

It is manifest that we shall have practically thrown away our money if we allow that line to terminate in the hills of Berkshire, or in the valleys of the Hudson. To make the great outlay which has been made remunerative, we must go further; the line must be carried to Lake Ontario, thence by the shortest route to the great centres of Western trade, and placed beyond the reach of individual control. We must no longer pay tribute to capital owned and controlled in other and competing States.

Let me, for a few moments call your attention to the several links of the proposed road to Chicago by way of the Hoosac Tunnel and Lake Ontario, and lay before you, in a condensed form, the statistics bearing upon this subject.

Capital Stock and Bonded Debt of the proposed Boston & Chicago Line, by way of Hoosac Tunnel.

This line will be made up of several links as follows:

Atlantic & Ontario Railroad. (This includes the Fitchburg, Vermont & Mass., Mass. Central, Troy & Greenfield, Hoosac Tunnel, Troy & Boston, and the road connecting this with Lake Ontario)	$45,000,000

This capital will cover the completion of the line from Boston to Lake Ontario with a double track of steel rails,—distance 325 miles; and provide (1) ample and first-class rolling stock; (2) $5,000,000 to be expended on wharves, warehouses and elevators at Lake Ontario; (3) for repaying to the State the cost of the Hoosac Tunnel; (4) $7,000,000 for a sinking fund to be put in the State Treasury, to be held in trust, the income of which, at 6 per cent., invested semi-annually in the stock of this proposed Trust Company will, in about 30 years, buy up the whole capital of the company, and make the road free.

Amount brought forward	$45,000,000
Lake Ontario Shore Line from east end of Lake Ontario to Niagara River	$6,000,000
From Niagara River to Detroit (i. e. Canada Western Road)	22,600,000
Bonded debt of the same	10,275,000
From Detroit to Chicago (Michigan Central)	18,000,000
Net bonded debt of the same	1,733,000
Total cost	$103,608,000

Capital Stock paid in, Funded Debt and Income of the Hudson & New York Central, and Lake Shore & Michigan Southern Railroads for the year 1871.

The following exhibits show the financial condition of the best line from New York to Chicago, and the amount of freight carried in 1871:

HUDSON RIVER AND NEW YORK CENTRAL.

Capital paid in	$89,428,350
Debt	15,231,719
Additional bonded debt	24,768,281

LAKE SHORE AND MICHIGAN SOUTHERN.

Capital paid in	50,000,000
Debt	25,000,000
	$204,428,320

GROSS INCOME.

H. R. & N. Y. Central	$21,972,105 47
Lake Shore & Mich. Southern	14,797,975 47
	$36,770,080 94

TONS OF FREIGHT.

H. R. & N. Y. Central, about	5,000,000
L. Shore & Mich. Southern	3,725,425
Total	8,725,425

INTEREST ACCOUNT.

New York and Chicago Line.

8 per cent. of $204,428,320		$16,354,265
Boston and Chicago Line.		
(1) Atlantic & L. Ontario 6 per cent. on $45,000,000	$2,700,000	
(2) East end of L. O. to Niagara R., 7 per cent. on $6,000,000	420,000	
(3) Canada Western (capital), 8 per cent. on $22,000,000	1,808,000	
Canada Western (bonded debt), 6 per cent. on $10,275,000	616,000	
(4) Michigan Central (capital), 10 per cent. on $18,000,000	1,800,000	
Michigan Central (net bonded debt), 7 per cent. on $1,733,000	121,310	
		$7,465,810
	$103,608,000	
Difference		$8,888,455

Cost of moving grain from Chicago to Boston by the proposed "Boston and Chicago Line."

The distance between Chicago and Boston by the proposed line is 975 miles. If we have a a double track the entire distance, carry grain only and as through freight, run cars only eight miles per hour, it will cost us to move one million tons (or 33,000,000 bushels) exclusive of terminal expenses, without profit or loss, but making good all depreciation, $4,170,000; or $4 17 per ton; or 12 6-10 cents per bushel.

The cost of a double track road the entire distance would be about $103,608,000. In order, therefore, to get enough out of the road to pay for moving the above quantity of grain, pay the requsite dividends, and meet the wear and tear account, we must charge $11 67 per ton, or 35 36-100 cents per bushel.

Return through freights may be taken at nominal rates and without affecting the profit and loss account.

QUESTION AS TO RATES OF FREIGHT.

The above estimates have been made on the basis of through freights of grain,—freight one way only. We have seen that the proposed road, doing the proposed work, can be made to pay cost of work done, meet its wear and tear account and pay satisfactory dividends independent of return freight, and independent of local business. If, then, we take in the enormous and constantly increasing local business (passengers and freight) and return freight, and charge therefor its just proportion of the expense of maintaining the way, of the depreciation account, and of the interest account, we shall be able to largely reduce the above estimated charges for downward through freight.

The printed "Report of the Commission on Cheap Travel and Transportation," made to the Legislature of 1870, contained tables showing the gross receipts of the several steam railroads entering this city, from their opening to the year 1869, and estimated gross receipts from 1868 to 1883 in periods of five years each. Four years of the first period have passed, and by comparing the actual receipts, as shown by official returns of the several roads for the past four years with these estimated receipts, and allowing that the actual receipts in the year 1873 will be neither greater nor less than they were in 1872, we shall find that out of over $89,000,000 estimated receipts for the period from 1868 to 1883, the difference will not exceed $80,000.

But if the roads increased their business during the year 1873 as much as they did in 1872, the aggregate actual receipts will exceed the estimated receipts by several hundred thousand dollars.

Those estimated receipts, though made with great care and accuracy, were regarded by many persons as extravagant at the time (1870); but the progress of time shows they were made upon a sound basis. The estimates now presented to you are made with equal care, and challenge your candid investigation.

THE HOOSAC TUNNEL

THROUGH FROM THE EAST HEAD TO THE CENTRAL SHAFT.

THE FINAL BLASTS — A TREMENDOUS CHARGE OF NITRO-GLYCERINE—A SUCCESSFUL JUNCTION—THE MEETING OF THE SUBTERRANEAN WORKMEN—A CREDITABLE PIECE OF ENGINEERING.

NORTH ADAMS, MASS., Dec. 12, 18

[SPECIAL DESPATCH TO THE BOSTON DAILY ADVERTISER]

The most important event in the history of the Hoosac tunnel took place today. The heading from the central shaft met, and effected a junction with the heading from the east end, and the workmen have passed through from one section to the other. I send you tonight only a brief report of the more recent occurences, reserving a more detailed history until later. On Tuesday morning last Mr. Walter Shanly, returning from a brief absence, received information that a new and it was supposed a more accurate measurement of the distance brought the two approaching headings more nearly together than had been supposed, and gave hopes that the breach might be made on Wednesday, instead of on Saturday, as has been announced in the papers. He accordingly prepared plans for the final blast and gave his orders. As is well known, the central shaft heading has been driven at the top of the tunnel about seven feet in height, to be enlarged at the bottom as soon as the vexatious water problem was solved. The east end heading, on the other hand, has been driven at grade. Had the two headings been continued far enough that from the central shaft would have gone directly over the east end heading, leaving from four to six feet space between the floor of the first and the roof of the other. The plan adopted was as follows: The central section heading was driven downward as the junction was approached, leaving not more than four feet distance vertically between the floor and the roof. Tuesday afternoon Mr. Shanly gave orders to stop blasting at the central shaft and to drill two holes, each eighteen feet deep, the first to start from the breast of the heading toward the roof of the east end heading, and the other to start from the floor of the central shaft in the direction of the breast of the east end heading. Blasting was meanwhile to be proceeded with at the east end, until according to the latest measurement the horizontal distance between the two headings would be only fourteen feet. On Wednesday morning I visited both the east end and central shaft with Mr. Shanly. The foreman of the latter section, Mr. Roskrow, had ordered two test holes to be drilled which should unite the two angles of the headings, if all the measurements were exact. These holes were drilled by last evening to a depth of eighteen feet and six inches without making an opening through. It was therefore determined to drill new holes from the central shaft and blast this morning. Early this morning we started again for the central shaft, and descended at about half-past ten o'clock. A blast was made from fourteen holes loaded with nitro-glycerine at about half-past eleven. The whole blast required eighty-four feet length of glycerine, or about sixty-three pounds—the largest quantity ever used at one time in the tunnel. It is possible that this blast made a breach sufficient to let water through. At any rate the water descended mysteriously from its former level, but none of us cared to examine the matter, as two of the charges had failed to explode. As it would require some time to reload the holes, some of which had merely burned out without exploding, we returned to the surface and remained until about one o'clock, when we descended again. At about half-past one a second charge, equal in weight to the first, was exploded and we advanced toward the heading. We were met at a distance of four or five hundred feet by returning workmen, who announced that a hole was through. We proceeded in through a choking, blinding smoke from the glycerine discharge to the heading, when, sure enough, we found that communication had been opened. Six apertures had been made, and though they were but drill holes and cracks in the rock, the men of the two gangs were conversing through them. Our lamps held at the openings were immediately extinguished, so strong was the draft from the end toward the shaft. The progress made was satisfactory so far as it went, but more was necessary, and accordingly we returned once more to daylight while two or three holes were drilled, which it was hoped would make an actual breach and allow people to pass from one heading to the other. We returned an hour or two later, just as the last blast was made, and haste

ing forward to the junction we found that there was a hole about a foot in diameter between the two sections. This was speedily enlarged by hand power, and at four o'clock precisely a small boy was let down from the central shaft into the east end, amid the shouts and cheers of both gangs. Another person of larger size followed, and then the least end reciprocated by sending up two of the men of its gang, who proceeded to the shaft, and were the first to reach the top of the mountain from the east end without ascending its slope. Mr. Shanly himself was by to welcome his workmen through this narrow aperture. Having seen the practical opening of this junction we returned to the surface and to North Adams.

There are a great many curious and interesting facts to be related in regard to this event which must be postponed until another occasion. To satisfy a natural curiosity which will arise at once, I may say that although the engineers have not yet had an opportunity to verify their calculations, by the result it is certain that the error is scarcely more than a foot either in grade or in line, and it may prove to be very much less. Another fact which is likely to have an important bearing on the matter of ventilation when the tunnel is finished, is that the draft from the eastern end into the central shaft tunnel is so strong that it can only be likened to a very powerful wind. The air whistles through it with great force, extinguishing candles and lamps held in its path, and whirling dust and minute pieces of rock into the eyes of those who peer curiously through to the other side. By tomorrow morning the aperture will be enlarged so that a person may walk through without difficulty. The result of this day's work may be briefly stated. The ponderous pumps of the central shaft may be immediately abandoned, and the water problem being solved, work may be begun on the west heading of the central shaft, so that by October 18, 1873, if all goes well, there will be an opening through the Hoosac Mountain from east to west.

Boston Times.

BOSTON: FEBRUARY 23, 1873.

OFFICE, 12 SCHOOL STREET.

Consolidation of the Fitchburg and Lowell Roads.

The absorbing subject before the Legislature and the citizens of Boston, involving the policy of the State and the commercial prosperity of its metropolitan city, is that indicated by the head of this article. Our own views and the reasons upon which they rest have been already stated in these columns, and the discussions that have been referred to have tended to confirm and strengthen them in all particulars. The strength of the railroads interested, the strength of the capital interested, the strength of the Commonwealth, all lie in the same direction. A puny and impossible consolidation, for a distinctly great purpose, is on one side, with a strong, capable and energetic combination on the other.

Objection is made to what is called a consolidation of competing roads. Now what is the evidence furnished on this subject from the best sources? Mr. Joy's evidence is to the effect that competing companies will consolidate, practically if not really; that when he is told that the Legislature and the people will not allow of it, he then says that they cannot either of them prevent it; that they will, and in point of fact must, as a matter not merely of self-protection, but of self-preservation, make contracts and agreements and have understandings between them, which will be equivalent to consolidation.

What is the evidence on this subject furnished by the Railroad Commissioners of the State, in their report for the past year? In England, we are told, "competition between railroads exists only to a limited extent, and cannot be maintained by legislation" (page 65). Again, the Commissioners say: "The over-competition which had been stimulated then led to a rapid consolidation of competing lines. This excited the utmost alarm, and Parliament for many years persistently attempted to check it; the committee (Joint Committee of Parliament on the Amalgamation of Railways,) now report that this process has not brought with it the evils that were anticipated; but that in any event it is impossible to prevent it, and equally impossible to lay down any general rules determining its limits or character."

This evidence is so clear and satisfactory, and so thoroughly commends itself to the judgment of intelligant men who are at all conversant with railroad business and railroad management, that nothing further needs to be added to it; but the Commissioners do add something more even to this. Referring still to the experience of England, they say, "Meanwhile a very rapid consolidation of existing *independent lines* is taking place, which Parliament *no longer endeavors to prevent*; partly because the process, so far as it has gone, *has failed to develop the evils anticipated*, and partly because the tendency has shown itself too strong to be resisted."

And while the Commissioners most earnestly recommend, in their report and in the hearings before the Committee, the example of Belgium for our State to follow, they enequivocally report, "*competition is effectually killed in Belgium!*" In fact in Belgium, where the Government controls the best lines of railroads in the kingdom, the State itself has been compelled to consolidate practically with competing lines, just as similar lines have done in England, and everywhere else. The Commissioners put this case as strongly as it can be put in the following words:

The Government, "in order to get business on to its lines, made special contracts and special tariffs; and it sustained a severe competition, the result of which was, in some cases at least, a joint-purse arrangement under an agreement with its adversaries." Page 69.

And yet the Belgium system, in which "competition is effectually killed," and the State goes in with its competing railroads on "a joint-purse arrangement," is the system which the commissioners so authoritatively urge the Commonwealth of Massachusetts to adopt in order that the State may control and regulate private corporations; which the commissioners, on the authority of England say they cannot do by legislation!

It seems to us, whether the commissioners intended to do so or not, it would be impossible for them to make this case any plainer, or present it any more forcibly to the Legislature. They completely confirm and sustain the position taken by Mr. Joy, that whatever the Legislature or the public may do or not do, the railroads, practically, will consolidate their interests; and not only will private corporations do this, but the State itself under certain circumstances. And they show further that in England, as well as Belgium, "competition is effectually killed."

But this is not all, nor perhaps so far as the public is concerned, the most effectual result of their testimony and argument. They show that consolidation has utterly "*failed to develop the evils anticipated*," and "Parliament no longer endeavors to prevent it."

What is there, then, to fear from a consolidation of the Fitchburg and Lowell lines? Nothing; absolutely nothing, as shown by some of the best and most experienced testimony in the country, and by the conclusions of the railroad commissioners from the practical experience of the foreign countries, whose railroad systems best compare with our own. Unless it can be shown that the people of Massachusetts are different in essential particulars from any other people, and that railroad managers and directors in this State will not do, nor find it necessary to do, what railroad managers and directors elsewhere find it expedient to do, the argument against the consolidation of what are called competing roads, is nothing more nor less than what one of the State Commissioners would call "rubbish."

But there is another side to this question in the case now before the legislative committee; and that other side is as to the advantages of consolidation to the people, to the city and to the State. We think these are very large, and like consolidation in the British Parliament, "too strong to be resisted." The object of Boston and the purpose of the Tunnel is to facilitate the intercourse of the seaboard with the interior; the sea with the lakes; agriculture with commerce; and in a year, or year and a half, the Tunnel, it is presumed, will be completed and the tracks laid through it. It is agreed on all sides that this result will be greatly beneficial to the West in the transportation of its produce to the seaboard, and is looked upon with as much interest there as it is in Boston, and no doubt its accomplishment will be mutually beneficial. On the theory that large amounts of grain and produce for transhipment will be ready for the Tunnel line as soon as opened, there is need of largely increased means of transporting it and ample accommodations in Boston for its reception and transhipment.

Besides this, the roads themselves, according to the statement of the Governor, are to be much improved, partially rebuilt, provided with a double track, perhaps furnished with steel rails, and made altogether suitable and adequate for the purposes intended. To accomplish all these things demands the means and efforts of a strong and commanding company; strong in means, strong in capacity, strong in purpose; and such a company the corporations interested in the direct line between Boston and Troy cannot furnish, whatever course the Commonwealth may see fit to pursue with regard to the Troy and Greenfield road and the tunnel. Such a company, fortunately for Boston and the State, the Fitchburg and Lowell corporations can furnish, with means and facilities at their command wholly superior to those which can be furnished by any other consolidation.

With the aid and under the lead of these two companies, consolidated on an equitable basis, every means and want required to do the expected business, and to build it up to its highest proportions, will be secured. The position and character of these two companies, their credit, their possessions, their ability, their interest in the prosperity of Boston, are all well known, and may be relied upon. They are able to do the whole work of transportation, and provide terminal facilities for transhipment, in addition to their present business, as no other company that can be formed can do it. Together they constitute what the business demands, what Boston wants, what for the interest of all parties the Commonwealth must have.

G. W. L.

THE MASSACHUSETTS CENTRAL.

THE NEW ROAD TO NORTHAMPTON—ARRANGEMENTS FOR TERMINAL ACCOMMODATIONS AT THE LOWELL STATION—A TWENTY YEARS' LEASE—THE PROGRESS OF CONSTRUCTION—THE ROAD HALF BUILT—IMPOSSIBLE COMPETITIVE RELATIONS IN THE FUTURE.

The Massachusetts Central corporation has lately effected an arrangement with the Lowell Railroad which will give it the use for twenty years of the admirable terminal facilities of the latter company. By the provisions of the contract the Massachusetts Central track may join the Lowell iron at any point between the Somerville station and Spy Pond, on the Lexington branch. From the junction, wherever it may be, in as far as Miller's River, the new road is to have a track for its exclusive use, to be built by the Lowel Company. On this track the trains of the Massachusetts Central will be run into Boston by their own motive power, but once arrived in this city the passengers are to be taken care of, and the freight and baggage handled, by the employés of the Lowell company. In short, the provision for the new road will make a union passenger station of the building now in process of erection by the Lowell corporation. Like arrangements have been made with reference to the discharge, storage and transfer of freight. It will be seen that these terminal facilities are the most desirable and advantageous which could be provided for the Massachusetts Central. The original charter looked somewhat to a connection with the Fitchburg road at Stony Brook, and the use of their station and freight depots in Boston. Bu even without premising a future antagonism between the two companies, the very lay of their lines would make a friendly union and fraternization rather difficult to imagine. There would be no advantage whatever in the junction, as it is hardly supposable that many passengers or much freight coming in on the one road would be transferred to go out on the other. The position of their lines, running almost parallel through the length of the State, and coming into direct or indirect competition at not a few points, renders the relative interests of the two corporations naturally and inevitably hostile. With regard to the Lowell road the same cannot be said. From which the Massachusetts Central opens up a totally different country from that from which it will not be inconsiderable. The Lowell conveniences and passengers will present and projected at this end of their line are unsurpassed. If in the more remote future the Massachusetts Central brings east its share of the great western trade, as it is not unlikely that it will, there will be at its disposal the deep water terminus on the Mystic River, which the Lowell company is providing for its western connections. Meanwhile we can congratulate the Massachusetts Central and its future passengers that they are insured an elegant and comfortable reception in the new station on Causeway street. The lease was completed about three weeks ago, and is to hold, as has been stated, for twenty years. What the financial arrangement is, has not transpired, There is no necessity for new legislation at the State house, the arrangement not falling outside the provisions of the company's charter.

The work on the road under the contract with Mr. Munson was begun just a year ago. Two years were allowed him for its completion. One year has elapsed and the construction has advanced in full proportion. Mr. Munson has sub-let nearly all the length of the line, mostly in very short sections. There is every probability, contingencies aside, that the road will be open and working between Boston and Northampton by next Christmas day. A year ago we glanced at the connections and combinations which give the new road its significance. A brief note of the progress made in construction and of the possible feeders not mentioned in the article referred to is therefore appropriate just now. About forty miles have been graded and are ready for the superstructure. Nothing has been done east of Weston. The exact route from Weston to the Lowell track, and the exact point of junction with the latter, are as yet undetermined. The decision lies between two routes; one crossing the Fitchburg Railroad in the very western part of Waltham, then across the main street near General Banks's house and thence through Belmont to the Arlington branch at Spy Pond; the other line proposed running through the south of Waltham and perhaps a short distance in Newton, through Watertown, passing near the United States Arsenal, and then past Mount Auburn to the junction at Somerville Centre. The two routes are nearly equal in distance and choice between them is soon to be made. The forty miles that have been graded are scattered all along the distance from Weston to Belchertown. For seventeen miles, between Weston and Hudson, the grading is nearly all done; from Hudson west to Oakdale the work is, perhaps, three-quarters accomplished. Beyond Oakdale there is nothing continuous finished, for the construction is in the hands of numerous subcontractors who have, as a general thing, but a mile apiece to build. From Federal street in Belchertown to Northampton, there is nothing built, and eight or nine miles of the distance have not been definitely located. The southern route which was proposed has been abandoned and the line will run through Amherst, passing near the colleges, and Hadley. Work has begun on the bridge which is to cross the Connecticut at Northampton. The bridge and culvert work all along the line has been very generally and very thoroughly done.

There are one or two possible competitions which the Maisachusetts Central Railroad will open up which deserve mention. Hudson, instead of being dependent on the round-about route by way of South Acton and the Fitchburg road, will have a line to Boston as nearly direct as possible. Marlborough is brought seven miles nearer Boston than it is now, and the building of a road seven miles east of the village will give a straight road to this city. Clinton gains eight miles by the Massachusetts Central. Worcester, by the Nashua and Worcester road, which crosses the Massachusetts Central at Oakdale, is only fifty miles distant from Boston, and there is certainly a field for competition here. The continuance of the Athol and Enfield road to Springfield, which is already partially effected, will give a route from Springfield to Boston only seven miles longer than that by the Boston and Albany. We have merely indicated a few of the points at which the new road could profitably compete with existing ones, and be sure of at least a portion of established business. What the practical results will be can of course be told only when the road is a fact, and its traffic something more than anticipatory.

RAILROAD CONSOLIDATION.

The timely suggestions in Governor Washburn's message as to the importance of early and effective action for the purpose of realizing the great benefit to the business of Massachusetts which is anticipated from the opening of the Hoosac tunnel, have had an excellent influence upon the General Court. In the legislative proceedings of Thursday we gave a synopsis of a bill of much moment in its bearings upon this subject, which was presented in the House by Mr. Hoyt of Athol, and referred to the committee on railroads. By the measure to which we allude provision is made for a consolidation upon equitable terms of the three companies known as the Fitchburg, the Vermont and Massachusetts and the Troy and Boston, and for uniting with the consolidated company the State's interest in the Troy and Greenfield road, the Hoosac tunnel and the Southern Vermont road. By this means it is proposed to organize a single through line, under one management, from the seaboard through the tunnel to the Hudson river. Any two of the three companies above referred to may consolidate in the manner proposed, and, in conjunction with the Commonwealth, establish the proposed line, without the co-operation of the third.

It seems to be the general idea that the Fitchburg company will, in accordance with its traditionary policy, be inclined to play the dog-in-the-manger policy in this case, as it has done thus far in reference to all suggestions for enlarging the sphere of its operations and aiding to build up the business of Boston. This contingency is, however, fully provided for in the bill, and if the other two companies agree to unite within a period of four months from the passage of the proposed act, and the Fitchburg company neglects or refuses to come into the arrangement within that period, the Governor and council are nevertheless empowered to combine the State's interest with the consolidated corporation, and effect the purpose contemplated by the bill. If the Fitchburg should thus stand aloof, the new company is empowered and required to establish a suitable terminal depot at tide-water in Boston, for the accommodation of its merchandise and other traffic, and it may extend its line, by a new road from Fitchburg to Boston by some direct and feasible route, or purchase or consolidate with another line for the purpose of such extension. At first view it might seem rather harsh and peremptory thus to provide for forcing the Fitchburg company to consolidate in the new enterprise, or to get out of the way; but it is perfectly evident to all that the comatose management of that corporation ought not to be allowed to stand in the way of a great public improvement, for the benefit of the whole State, as they have done hitherto; and it is equally clear that nothing short of such a summons to action as this bill contemplates will arouse the stockholders of that company to a realizing sense of the manner in which their interests are, and have been, compromised by the timid and dilatory course of the corporation as a body.

By the proposed bill the State will obligate itself to finish and complete the tunnel at its own expense, and to complete the tracks through it, as well as to finish the Troy and Greenfield road west of the tunnel. Provision is made for an adequate amount of capital stock for the consolidated company, to represent the value of the present roads and to provide for such extensions, additions and terminal facilities as may be necessary. The Commonwealth is to be represented in the government of the company by four directors, one to be replaced each year, and after the first appointment by the Governor and council, to be elected by the Legislature. The remainder of the board will be composed of six or nine directors, as two or three of the present companies may consolidate, and these are to be chosen by the stockholders in the new corporation. Upon the completion of the tunnel and the connecting works by the State, and the full organization of the corporation upon the permanent basis provided for after such completion, all the estate and interest of the Commonwealth in the tunnel and its adjuncts, and all the property of every nature of the consolidating companies are to vest in the new corporation. Provision is also made for the purchase of the Cheshire railroad by the new company, at any time within two years from the passage of the act, and for an increase of the capital stock to the amount of such purchase, and the Vermont and Massachusetts Company is authorized to sell that portion of its franchise and road extending from Miller's Falls to Brattleboro.

The terms for the consolidation of the various interests which are to be united by this bill, are to be fixed by agreement between the Commonwealth and the other contracting parties, and in default of such agreement, by commissioners duly appointed by the Supreme Judicial Court and upon the approval of that tribunal. Power is given to the court to appoint such commissioners upon the application of either party, and to issue a binding decree. An important provision of the measure in question requires the consolidated company to allow to all connecting railroads as favorable terms of transit through the tunnel as the extra cost of the tunnel over ordinary railroad construction will permit. We have thus reviewed the leading features of the proposed plan of consolidation, which, on the whole, appear to be just and reasonable, and calculated to further the great object of securing to the whole State the benefit of a through line of transportation to and from the great West, and of rendering available for the public good the liberal aid of the Commonwealth towards the tunnel enterprise.

[Globe – of course! as the H.R.R. declined to advertise or pay for adv't not ordered.]

Stockholders in Mass. Railroads – 1872

Total number, 55 corporations, 29,651 (not given)
" " in Mass. 22,052 {7,599

Total capital stock, 55 corp. held in Mass $56,949,214.

So that 22,052 persons in Mass. held the above sum, averaging

22,052) 56.949.214 (2,582.50
44104
128452
~~88312~~
110260
18192
17641
5505
4410
1095

Total cap. stock paid in $1,524,833
Total debt " 54,044,926
Total amt. $135,569,759

Valuation of Mass. – 1872

Real and personal estate	1,696,599,969
Savings Banks,	184,797,313
Corporate,	104,757,278
	$1,986,154,760

BOSTON'S OPPORTUNITY.

While Boston is devising new and improved facilities for receiving, handling and exporting the productions of the great West, Chicago, the commercial centre of the country, is endeavoring to establish a direct highway between that city and Europe. Viewed from the Chicago stand-point, the need of such connection is beyond estimate, and the grand results would be incalculable. The Northwestern States, with a population mainly agricultural, raise products in overflowing abundance. Although the country, like New England, is traversed by railroads, these products, in supply, exceed the demand, owing to the expensive system of freightage practised by the railroad corporations, which has, most obviously, the effect of keeping the produce on the farms, thus tending to check production. Under these circumstances it is obvious that a new route to the New England States and the seaboard would open a paying market for the agricultural products, and create an unprecedented demand for shipping purposes. That something should be done, as it regards facilitating cheap transportation, is the burden of the argument of the great West particularly, and of the seaboard generally.

To give some idea of the rapid growth of the Northwestern or cereal producing States, figures taken from the government census show a ratio of sixty-four per cent. increase in the States of Illinois, Iowa, Kansas, Minnesota, Nebraska and Wisconsin between 1860 and 1870. The same ratio continued to the year 1900 would give those States 30,500,000 people. Referring to the rapid growth of the railroad system in these six States, the Chicago Journal says that in 1860 the number of miles of road was 4350; in 1870, 10,422; added in 1872, 3419, making 13,841 miles. The rapid development of the grain trade is thus summarized: In the year 1838 the first shipment East of wheat from Chicago was but seventy-eight bushels, and in 1844 about a million bushels. In 1871 the receipts of all kinds of grain were 83,518,202 bushels and the shipments 71,800,789. In '72 the receipts were 88,426,842 bushels, and the shipments 76,000,000. A proportionate increase in all branches of agriculture stands on record. Yet, despite the vast yearly increase, only one railroad has been added as a means of transit to the seaboard since 1855, the only routes being four railroads, the Welland and Erie canals and the St. Lawrence. The Erie and Welland canals are totally incapable of accommodating the carrying demands of the great West, as is well expressed in the following remark on the subject, made recently at an industrial meeting in Iowa by ex-Governor Bross: "As well attempt to lead the boiling current of Niagara to the sea in hose pipe as to ship the products of the 700,000 square miles lying between Lake Michigan and the Rocky mountains to the ocean by the Erie and the Welland canals and all the railways now, or hereafter to be constructed."

On account of the lack of railroad facilities for transporting the vast products of the West to the Atlantic seaboard, we notice that a well-defined movement is now in progress, among the leading merchants of the Mississippi valley, designed to make Montreal the objective point of foreign export, by enlarging the Welland and St. Lawrence canals to accommodate vessels of 1000 tons. It is claimed that by this arrangement a bushel of corn can be transported from Chicago to Montreal for nine cents, and by the Caughnewaga canal, also to be enlarged as well as Champlain canal, to Boston for eighteen cents, or between Chicago and Liverpool via Montreal, for twenty cents per bushel. The saving thus effected would add fifteen or twenty per cent. to the receipts of the former. It is estimated that the cost of the canal enlargements would be $24,000,000. Even six cents a bushel saved on grain freights thus shipped, as is shown, would pay for the improvement in less than ten years. By this route also tide-water is four hundred miles nearer, and the route eight hundred miles shorter to Europe. Thus the grand scheme contemplated is to turn the Western shipments of produce to the New England States and to Europe down the St. Lawrence river.

In this connection it is that Boston has a lively interest in encouraging a new and independent route to the West, tapping the lakes in order to be in close and direct communication with Montreal. The St. Lawrence has only about six months of uninterrupted navigation, and hence it is that we see steamships seeking Boston and Portland, from October to May, to transport the products of the West which have accumulated at Montreal, Chicago and other lake ports. If the larger part of the grain trade should be diverted to Montreal, as intimated in the canal enlargement scheme, then it is the duty of Boston to be amply ready to take advantage of the benefits promised by such a scheme, in connection with the New York, Boston and Montreal combination, alluded to in THE GLOBE of yesterday. Are we preparing to reap the advantages thus held out to us? Let our merchants answer. And this brings us to a brief consideration of the Hoosac tunnel route, which will be ready for use in a few months. We are not certain that any railway combination that may be made in this State will secure the benefit of the Hoosac tunnel, notwithstanding the move in our House of Representatives, as reported in THE GLOBE of yesterday. A few days ago we were shown a letter written by the head of a leading grain commission house at Toledo, O., to a well-known merchant in this city, which warned Bostonians against placing too much confidence in the advantages that the metropolis of New England may derive by the completion of the tunnel route.

It was pretty broadly hinted that Boston would no doubt monopolize the use and advantages of the new line, provided the Vanderbilt or Scott interest do not gobble it up, which, as we understand, both parties are inclined to do. Information obtained from the highest and most reliable sources warrants us in saying that if the Legislature, this winter, fail to complete the consolidation of the several railroads, as proposed, with the view of turning the Hoosac tunnel to the advantage of Boston and the State, New York city will in future control the increased shipments of grain from the West. Not an hour should be lost by those interested in getting ready to run the cars through the tunnel on the very day of its completion. The local pride, immense capital and the beaten track of commerce are on the side of New York; that city will leave no means untried to accomplish its purposes at the expense of Boston and all New England. The immutable laws of commerce will give to this city its fair share of trade in the end of the contest, but the opportunity of the present moment must be improved if we would realize our grand possibilities.

BOSTON DAILY ADVERTISER.

TUESDAY MORNING, FEB. 4, 1873.

THE STATE AND THE RAILWAYS.

One of the objections to the tunnel consolidation takes a form which may be thus stated: The State has built the Troy and Greenfield road and has already nearly completed tunnelling the Hoosac mountain. This work has been done with the people's money. It is a work of so much importance that no corporation should have the control of it; on the contrary, since the ownership of the tunnel is in the State every corporation ought to have an equal right to its use. The argument proves too little and too much. A good part of the cost of the Western Railroad, now a section of the Boston and Albany, was built by the State. It is quite as important to the State as the tunnel, but we hear no complaint because the road is owned and operated by a corporation. The State has directors in the Boston and Albany board; it will have directors in the Hoosac Tunnel road. It has the right to amend the charter of both companies, and to fix rates of fare and freight on both. If any now inchoate corporation should at any future time tap the tunnel line, it would have as security for its privilege to the use of the tunnel itself not only the provisions of the proposed charter, but the regulative power of the railroad commissioners and a final appeal to the legislature.

But we do not admit that the building of the Troy and Greenfield road, including the tunnel, by the State, gives to all corporations or to any corporation any right to the use of the tunnel. The petitioning railroads have no other claim to be counted into the Tunnel line than the fact that they have always expected to form a part of it and the additional fact that they have endured some pecuniary loss in patience while they were so expecting. It is only because it is for the interest of the State that there should be one corporation between Boston and Troy, and because what is and has been known as the tunnel route is the most favorable for consolidation, that we support that project. The State has to see, first, that it does not lose by its investment in the tunnel; and, secondly, that the great enterprise be made to serve the business necessities of the State. It is not under obligations to secure to New Bedford and Uxbridge as great a share of the benefits of the tunnel investment as will be conferred on Adams and Fitchburg; it is under obligations only to secure the largest possible traffic through the tunnel, go where it will. If this cannot be accomplished by regulations as to the use of it,—and nobody will oppose any measure to that end,—the counsel at the State house are less acute than we take them to be.

There are two counter propositions, of which we may speak at this as well as at any other time. Mr. Quincy desires that the Commonwealth shall, under its reserved rights, purchase the Fitchburg and the Vermont and Massachusetts roads, and operate them in its corporate capacity as a competing route with the Boston and Albany and other lines. A plan somewhat similar was proposed by the railroad commissioners two or three years ago. The objections to the proposition are very serious indeed. If there is now [illegible] other lines, we cannot see that there would be less danger under State management. All aggrieved corporations would have an additional inducement to secure control of the legislature, and we are afraid that in the end they would be successful. This idea of State interference is an objectionable form of what some people would call paternal government. The underlying principle is that the State should interpose to depress, or at any rate to regulate, the price to be paid for a specified amount of railroad service, — a principle which we cannot admit to be sound. The management of a great business by the State would also result, we are sorry to say, inevitably in corruption and demoralization, and we even doubt whether the merchants who ship goods and the persons who travel by rail would discover any benefits in the change of ownership.

The other project is Mr. Crane's trust company, which we expect to see brought forward by its author with undiminished confidence every year. The scheme is one to make something out of nothing, on its face; beneath it is a plan for the State to obtain the control of the railroads by confiscating a certain proportion of the stock and a larger proportion of the profits. The Boston and Albany Trust Company scheme is like all the rest. It proposes: (1) To give the State one-sixth of the capital at the outset, to say nothing of the amount already owned by the Commonwealth; (2) to enable the new trust company to buy for twenty-three and a half millions of dollars what is worth in the open market twenty-nine millions; (3) to pay to the owners of the road—stockholders and Commonwealth—the surplus of earnings over expenses, not in the proportion of five to one, but to limit the stockholders to seven per cent. and turn all the rest into the State treasury. The State gets, by this plan—(1) One-sixth of the road by a free gift; (2) six per cent. on this stock annually; (3) all the surplus earnings after the stockholders get their seven per cent. We see no reason why the projector of trust companies should have stopped short of giving all the earnings to the State. The stockholders have no more voice in the management of their property than in the election of the King of the Sandwich Islands;

and they are notified in advance that they are to be swallowed up. The earnings of their property are to be used in buying their property.

It is difficult to see how a scheme of this kind can have any supporters, founded as it is on a confiscation and a fallacy. As applied to the tunnel route it is no better and no worse than as applied to our other lines. It is only one of the many elements of opposition to a measure which we regard as one of the wisest and most necessary before the present legislature. A review of them will serve to show the hundreds of merchants of Boston, who have petitioned for this consolidation, against what they have to contend. We question the honesty and sincerity of no opponent of consolidation; but it is very difficult to avoid the conclusion that the defeat of the plan now before the railroad committee, or the success of either of the several counter projects, would deprive the State of some benefits which the consolidation would certainly bring.

Detention of trains and passengers by the Railroad Crossings at Charlestown and Somerville — 1872 Returns —

Passengers 1872 Boston & Maine R.R.

To Boston,	1,671,808	
From "	1,715,648	3,386,456

Eastern R.R.

To Boston,	1,723,685	
From "	1,723,536	3,447,071
		6,833,527

Fitchburg R.R.

To Boston,	761,082	
From "	760,032	1,521,114
Total to and from Boston per year,		8,354,641
Detention 2 minutes each		
Total minutes in one year, —		16,709,282

60) 16,709,282 (278488
120
470
420
509
480
292
240
528
480
482
480
2

24) 278,480 hours (11.603 2/3
24
38
24
144
144
88
72
16

300
12) 11,603 2/3 days (96 years
108
72
83 1/3
84

(38 years per year — equivalent to
2
76 years of 300 days, 12 hours the day.

900
2603
2400
203

add 2 minutes to each detention
152 years.

Season Ticket Passengers to & from Boston:

B. & M.	700,353	B.R.R. 1,521,114
Eastern	541,890	" from 573,470
Fitchburg,	373,470	Total retained 1,894,584 2 min
	1,615,713	B. & M. & E.R.R. 6,833,527
		" from 1,242,443
		8,075,970 4 min
		1,894,584
		7,770,384

BOSTON DAILY ADVERTISER.

WEDNESDAY MORNING, JAN. 29, 1873.

THE HOOSAC TUNNEL CONSOLIDATION.

The most important hearing of the year before any committee of the legislature will begin at the State-house this morning. The question is the consolidation of the several lines of railroad, beginning at the Fitchburg railway station on Causeway street in this city, and terminating at the State line on the Troy and Boston Railroad. We should be glad to believe that there would be no opposition to the measure, but unfortunately the existence of various elements of opposition is only too evident, the several adverse interests aiming each at a different positive result, and being only united in their opposition to this consolidation. We must leave, until a later stage of the discussion, the consideration of the arguments used by the opponents of the union; but we cannot forbear saying, at the outset, that so far as we are informed not one of the objections is based on any question of public policy. Today we shall look at the matter only in its relations to the business of the State, disregarding every other interest, assuming that an equitable plan of consolidation can be made, and that if this particular amalgamation can be shown to be for the best interests of the State, no corporation outside the line can have any proper ground for resisting the measure. We shall best reach the heart of the question by considering, first, whether if there were but one continuous line to Troy the interests of the State would dictate a policy of consolidating it under one management; and, secondly, whether any other roads or systems of roads should be substituted for those in the plan before the railway committee, in case a consolidation of some kind is determined upon.

The Fitchburg Railroad makes a direct connection with the Vermont and Massachusetts, and the latter road operates the Troy and Greenfield road, which, connecting with it in Greenfield, reaches to the Hoosac tunnel in the town of Florida. Beyond the tunnel that part of the Troy and Greenfield road in the towns of Adams and Williamstown is operated by the Troy and Boston road. When the tunnel has been opened, the line to Troy will be owned as follows:—

Section.	Owned by.	Distance miles.
Boston to Fitchburg	Fitchburg Railroad Co.	50
Fitchburg to Greenfield	Vermont and Mass. RR. Co.	56½
Greenfield to State line	The Commonwealth	42
State line to N. Y. line	Southern Vermont RR. Co.	8
New York line to Troy	Troy and Boston RR. Co.	35

The object the State has had in boring the Hoosac mountain is misunderstood by nobody. It was expressly designed to open a new through line to the West. For the present every plan for securing new connections west of the State line may be left out of the question. We are now concerned only with the roads reaching to the northwestern corner of Massachusetts as part of a through line, and the sole question is, How can this road be best operated to make it what it was originally intended to be? If consolidation is not the only possible answer, we have misread railroad history. The New York Central road became great and a great carrier of freight by consolidation, and the Boston and Albany road could never have conferred the benefits on the business of the State and the commerce of Boston had the original companies not been amalgamated. A lease of the whole line by one company is not so effectual as absolute union. The conditions of the lease may be broken and the continuity of the line destroyed. The creation of a single corporation avoids all confusing accounts, all maintenance of separate corporate bodies each with its own officers, and all local influences in the management. A consolidated company can obtain money on better terms and in more plentiful supply, it can adopt a systematic policy, it can work with more economy and with absolute unity of action. It would be a public misfortune should it become necessary to have to deal with more than one corporation between Boston and the State line after the tunnel is opened. We can conceive of no valid objection to consolidation of this connected line were these the only railroads in the State, or at least the only ones that could be united, on any ordinary principle of railroad consolidation.

Unfortunately, there is likely to be opposition to the plan from several quarters, but we now mention only that which arises in the presentation of counter projects. We notice that a voice is raised against it from the town that, next to Boston, would reap the most from the consolidation. There is a project in Adams to build a road to Albany, and, strangely enough, the plan of the Vermont and Massachusetts road is opposed because it does not propose a connection with a road on which the first shovelful of earth is yet to be raised, rather than with the Troy and Boston. But the chief opposition is likely to come from the Boston and Lowell road. Until some better reasons for a consolidation of the Lowell and the Fitchburg roads are brought forward, a glance at the map is sufficient to condemn the plan. At every point where they are parallel and competing roads they are unnaturally so. A simple proposition to create a line to the tunnel by way of Lowell would be laughed out of the legislature. The truth is that the union of the Lowell and the Fitchburg roads means the delay if not the defeat of the consolidated Tunnel line. It is intended to be such, or it is the most absurd plan ever presented to a legislature. We can understand why the managers of the Fitchburg road may encourage the Lowell project in the hope of obtaining better terms from the Vermont and Massachusetts, but that they seriously favor the union we do not believe. It is admitted on all hands that there must be a large sum of money expended between Fitchburg and the State line in improvements, and the equipment is as yet lamentably deficient. The Vermont and Massachusetts road is not strong enough, unaided, to make the improvements and provide the equipment. Should the two Boston corporations unite, it would be helpless, and hardly less so should the Vermont and Massachusetts road be absorbed. The direct connected line is the natural line for consolidation to Troy, while the natural connections of the Lowell road are already established through the States of New Hampshire and Vermont. They belong to separate systems, and should no more be operated together than the Albany and the Old Colony roads. As for the deficiency of the Fitchburg road in terminal facilities, it is by no means irremediable, and all attempts to create the impression that it is out of the question to improve them will fail. There is no point where it would be advisable to leave the connected road from Boston to Adams to reach either end of the line by a new or by any other route. The interests of the Vermont and Massachusetts road, and we cannot doubt of the Fitchburg road also, as well as the interests of the State, as far as it has invested in the line, indicate this as the only proper connected route. Every consideration of trade and commerce points in the same direction. We are aware that there will be able counsel to dispute this position, and to make the worse appear the better reason; but every man in the State who hopes to see the Tunnel route made speedily and fully available for the transportation of goods to and from the West, and who has no interest conflicting with this, will desire that the plan on which the hearing today is to be given will be successful.

HOOSAC TUNNEL.

It was with surprise I read in the Daily Advertiser of Saturday the signatures of over a hundred of the business firms of Boston, petitioning the Legislature for the consolidation of the Fitchburg, the Vermont & Massachusetts, and the Troy & Boston Railroad companies, as the Hoosac Tunnel Railroad Company. I cannot but believe that the merchants who signed the petition have forgotten what the consolidation of the Boston & Albany and the Boston & Worcester have cost the business men of Boston, besides being of immense damage to the growth and increase of the city and State. They also must have forgotten that the ink was hardly dry after the consolidation of the last-named corporations before the stock was watered two million of dollars, and most probably would have subsequently been watered an additional two millions if they had not been checkmated by legislative action.

It is not consolidation our farmers, merchants and manufacturers want; they want as many trunk lines connecting Boston with the great Western States as capital and business will permit of. Consolidation means nothing but high fares and freights, and has so resulted whenever and wherever consolidation has taken place. Massachusetts has gained nothing by her ownership in the Boston & Albany road. On the contrary, the State has lost millions by its connection with it; all through the lullaby that it helped support the State and saved taxation. Every reflecting man knows that the State, years ago, should have dispossessed every private stockholder of his interest in the road, operating it in the unqualified interest of the whole people, as was provided for in its charter.

Every State should own one direct line of road through its territory, in order to regulate all other roads by its economical management. The fault would be the people's of the State, if itwas not so managed, and the remedy would be with themselves once a year, and this would be vastly better than what they now experience by State connection with the Boston & Albany. The daily press of the whole country is a daily record of the swindles of railroad corporations. Where are we to end? No State in the Union has ever demanded of a railroad corporation the closing of its construction account, but, on the contrary, we see them investing millions in city lands, year by year, and when perfected for their corporate interests, they place their own valuations thereon, and thus declare dividends to suit their cupidity at the expense of the labor of the country.

Pennsylvania, like Massachusetts, is partial owner in incorporated railroads; she consolidates roads like other States at the command of the corporations. The State is silent in its legislation and in its courts, when the railroad corporations of the State, under their franchises, purchase thousands upon thousands of acres of coal lands, and when they have matured all their grasping ambitions, they turn upon the mineless, and frigid States of the North, telling them, pay us our price for our coals, or stop your factories, and freeze, just as you like. Common sense would say, that Congress should step in, and have something to say about railroad corporations monopolizing coal mines. But we must remember that Congress has an illigitimate child in its arms, and of such giant proportions that in its infancy it strides across the continent, and of such moral delinquencies also, that Congress as yet has not been able to find a way for his punishment, for tricks played upon his godfather and nurses.

To return to our own State, Massachusetts will have expended on Hoosac Tunnel, when completed, thirteen millions of dollars ($13,000,000.) No considerations should induce the State to consolidate the Tunnel with the proposed roads, or any other road or roads. The Vermont Central and its connections have better and more honestly served the interest of Boston and the State, than any other lines reaching to the West. The Lowell road should be held to its present connections, and not allowed to consolidate with the Fitchburg or any other lines of road; it is right as it is, connecting with the Vermont Central, giving us one through line to the far West. The Boston & Albany (which no one regards except its stockholders) gives us a second through line.

The Hoosac Tunnel now gives us a third line, and this, in one way only, can be made a perpetual key to the whole railroad systems of the State, and that is for the State to purchase the Fitchburg, the Vermont & Massachusetts, and Troy & Boston railroads. This is the clear duty of our legislators, if their purpose is to serve the State and not private interests.

MERCHANT.

THE HOOSAC TUNNEL CONSOLIDATION.

To the Editors of the Boston Daily Advertiser:—

It seems to be generally allowed that the Hoosac tunnel and its connections will be the prominent object of action at the present session of the legislature; not alone because the subject was so urgently presented by the governor in his inaugural address, but also by the urgency, perhaps we may say, of all the parties interested. The immediate topic—omiting considerations of business which are well understood and admitted—is *the question of consolidation;* and on this subject, it is hardly too much to say, articles have found their way into the newspapers of an exceedingly questionable character, not simply one-sided, but absolutely ignoring or perverting well-known facts in the case. We do not care to characterize these communications as some of them deserve to be characterized, but take it for granted, as appears upon the face of them, that they were written not so much with an eye to the public interest as with a disposition to promote private if not personal ends. We do not propose to refer more particularly to these communications, and we feel quite sure that they will have little weight with the committee whose inquiries they were partially intended to anticipate, perhaps to forestall. Of course there can be no doubt as to the right of parties to discuss questions of public interest while pending before the legistature, but it is not unreasonable to expect that this should be fairly and honestly done upon one side and the other.

In nearly all the communications referred to, as if emanating from one source, it is intimated, where not distinctly set forth, that there are parties opposed to consolidation, directly and absolutely; and this fact alone, we presume, induced the Advertiser to say in its best style of conviction, "if consideration is not the only possible answer [as to how this time can best be operated], we have misread railroad history." As a general thing railroad history shows that the consolidation of lines has been advantageous and beneficial to the public, the parties interested and generally almost of necessity to both, and it is to be presumed similar results will follow similar acts. So plain is all this that we conclude there is very little difference of opinion among the people of the State or in the legislative body as to the necessity of consolidation in the management of the Hoosac Tunnel line. It has been a foregone conclusion for years, and so to the best of our knowledge each of the lines interested, and even those not directly interested, have considered it. We hardly say too much when we say that the idea of non-consolidation, so to speak, has never been entertained by those who seem to be now charged in that direction; and in regard to this point our judgment is that the public have been abused and the parties misrepresented.

There may be a difference of opinion as to how consolidation shall be consummated and who shall or shall not be parties to it; but it certainly is not right to say, "the chief opposition [to consolidation] is likely to come from the Boston and Lowell road," even if it be true that that company favor a consolidation not preferred by some other parties. "Unless some better reasons for a consolidation of the Lowell and Fitchburg roads are brought forward," etc. This is true enough, and the "better reasons" are to be had, for as yet, it is almost true, none have been suggested, for all the discussion, so to call it, has been on one side. When the opportunity comes the "better reasons" will be found. But more unjust than anything yet quoted is the remark, "The truth is, that the union of the Lowell and the Fitchburg road means delay, if not defeat, of the consolidated tunnel line," and that the Fitchburg company "seriously favor the union we do not believe." What answer is needed to these statements, which we regard as immensely absurd, beyond the unanimous vote of the stockholders of the Fitchburg Railroad authorizing that union to be made which shall be deemed best for the several corporations interested and calculated most effectually to promote the public interest"? We believe the Lowell stockholders are influenced by the same spirit. We submit that these votes are determinate and entitled to credit. We think the directors and stockholders of these two great companies are earnestly and honestly committed to the true spirit and purport of the Fitchburg vote.

One word in reference to the charge of delay: among the prominent reasons for the union spoken of, that of promptness, readiness, immediate preparation, and we may say instantaneous action, is foremost. In point of fact necessary preparations and improvements are at this moment awaiting this decision with each of the companies. The last thing to be charged upon them is the attempt to delay. The two corporations named, both by their directors and stockholders, understand the importance of the *subject*—the *whole* subject—and prominent and foremost with them stand the matter of preparation, internal and external, domestic and *foreign*.

It is, therefore, not true that the Lowell road, any more than the Fitchburg road, whose emphatic determination is already before the public, is opposed to a consolidated line through the Hoosac tunnel from Troy or Oswego to Boston. They are each of them in favor of such a line; have not the slightest idea or wish to defeat it, and propose, if allowed to do so, to go actively, immediately, instantly, into the business of providing the necessary "terminal facilities" for the business, including a steamship line, the importance of which, Colonel Crocker said, "no one can grasp." Nor is there, as has also been suggested, any scheme on the part of these corporations to obtain what is called "better terms from the Vermont and Massachusetts Company." The charge is unfair and gratuitous; the thing is dishonest; the companies are above such conduct under whatever circumstances, and we refrain from further comment. The Lowell and Fitchburg roads neither wish to delay consolidation, defeat consolidation, delay preparation, or get better terms of the weaker parties interested in the subject. We repeat our belief that they are prepared to make "such business arrangements as may be deemed best for the several corporations interested, and calculated most effectually to promote the public interest."

W. W. W.

Jan 31, 1873

BOSTON DAILY ADVERTISER.

FRIDAY MORNING, JAN. 31, 1873.

☞ We do not read anonymous letters and communications. The name and address of the writer are in all cases indispensable, as a guaranty of good faith.

We cannot undertake to return or preserve communications that are not used.

THE TUNNEL CONSOLIDATION.

It is a new idea for the Fitchburg Railroad Company to insinuate a doubt as to the amount or the return upon the traffic through the tunnel. During the whole period of doubt and discouragement the Fitchburg Company has maintained its faith in the enterprise and has used its influence to insure the completion of the great work. We do not believe that the stockholders or the managers of that road have any doubts today on the point, but the questions put by the counsel of the company at the hearing yesterday were intended to convey the idea that when the line should be consolidated it would be years before a dividend could be earned on the whole capital. If the Fitchburg Company has been sincere in its belief in the future of the tunnel, what is the explanation of its anxiety to be assured an eight per cent dividend by stocking the Fitchburg in preferred shares? And if it does not believe in the future of the tunnel, why is it necessary to unite the Fitchburg and the Lowell roads to secure ample terminal facilities for the traffic that is to come through the Hoosac mountain? We insist that one alternative or the other should be taken, and in either case we can come to no other conclusion than that the hesitancy of the Fitchburg Railroad Company to unite in the petition for consolidation is dictated by its very natural desire to get the best possible terms out of the Vermont and Massachusetts and the other connecting roads. A correspondent whose letter we print this morning utterly denies that this is the reason. If, however, the Fitchburg road is in favor of a consolidated line, of which in the nature of the case it forms the eastern end, why should it oppose a bill that leaves the terms of union to mutual arrangement, and failing that, to a disinterested commission, unless from a desire to get better than perfectly fair terms? And what but the desire to depreciate the rest of the line could have led the counsel of the road to hint his conviction that the business of the Tunnel line would not for some years pay any dividend at all on the whole stock?

The evidence at the hearing yesterday proved beyond question that it has been the understanding from the first that the Tunnel route from Boston to Troy by way of Fitchburg, Greenfield and Adams was ultimately to be operated as one line, whether by consolidation, lease or a joint tariff. That understanding has been open, constant, repeated over and over again. Up to the present season not a hint has been publicly made that any other arrangement would be favored by either of the connected roads. The enterprising managers of the Lowell road have stepped in to interfere with the plan. Whether it is that they wish to secure a part of the benefits of the Tunnel route, or that they wish to prevent a consolidation that will give the Fitchburg road not only a new outlet by rail to the west by the New York Central but a new and shorter way to Lake Ontario, we do not know. In our view there is nothing in either plan that could in the end be of benefit to the Fitchburg road, but that the company has been seduced away from its original intention by some dazzling promises is evident. We admit that the mutual assurances given in the past are not decisive of the question at issue; yet they happen to be in the line of what is otherwise desirable and strengthen the case of the petitioning roads. These roads too have incurred considerable expense and displayed remarkable patience in confident anticipation that the benefits of their self-sacrifice would be reaped when the tunnel should be finished. It cannot be just to them now to suffer a new arrangement to snatch the anticipated benefits away from them, especially when the interests of the State are identical with their own.

The only incident of the hearing yesterday which we need mention today, in addition to what we have already noticed, was the diversion on the part of the Massachusetts Central road. We trust we do not under-estimate the importance of that line, but we cannot regard it as standing on any different footing from any other road that is still in embryo. It is easy to becloud the issue here. The Massachusetts Central road may at some future time reach and tap the Tunnel road; the State has been taxed to build the tunnel; and all roads that can successfully bid for a share of its benefits are entitled to that share. It seems to be assumed that these admitted facts have a bearing against the proposed consolidation. But the roads which ask for the consolidation have invited all interests to suggest amendments to the bill. In this very matter they request the representatives of possible future roads to bring in a new section which will preserve their rights. It is not difficult to frame such a section. The railroad commissioners have jurisdiction where there is a dispute as to the rental of a piece of road over which the cars of a company not owning it run. The issue raised here is not started as though with the purpose of securing rights of prospective companies, but to prevent, as it seems, the union of the tunnel with any route. The counsel frankly stated this to be the case. He chose to regard the difficulties as insurmountable. We cannot so regard them, and we should think it a misfortune if the possibility that a road as yet unopened for a single mile, and not yet entirely located, might at some future time tap the Tunnel road, and an unfounded fear that in that event its right to the use of the tunnel might be denied, although secured in language as strong as the counsel of the road can employ, should be suffered to defeat or delay a consolidation that would develop most effectually the business of roads already existing, and built with a view to this very traffic. By the side of the public good the interests of the Massachusetts Central, the Vermont and Massachusetts, the Troy and Boston, the Lowell and the Fitchburg roads are entitled to little consideration. It is, nevertheless, both for the public good and injurious to no existing or prospective road, that the Tunnel route, as originally designed, should be united into one corporation.

THE FITCHBURG RAILROAD COMPANY.

ANNUAL MEETING OF THE STOCKHOLDERS—INTERESTING DISCUSSION ON PROPOSED SCHEMES FOR CONSOLIDATION—THE DIRECTORS AUTHORIZED TO PROCEED IN THE MATTER.

The annual meeting of the stockholders of the Fitchburg Railroad Company was held yesterday forenoon at the passenger station on Causeway street, President William B. Stearns of Charlestown in the chair, and the attendance of stockholders being very large, probably two hundred being present. The annual report of the directors, presented in print, was adopted unanimously, and the old board was nearly unanimously elected, as follows:—

William B. Stearns, Charlestown; Alvah Crocker, Fitchburg; P. B. Brigham, Boston; Cyrus Wakefield, Wakefield; C. U. Cotting, Brookline.

Mr. Bemis of Newton proposed to consider the question of consolidation, and expressed his surprise at the petition of the Lowell corporation to consolidate with the Fitchburg, and that with the Vermont and Massachusetts and Troy and Greenfield. Why is this asked? He went back a few years to show what had brought this about. In 1865 the Cunard steamers left here for New York on account of not getting freight. It was apparent the commercial business would be best, and the legislature concluded to consolidate the Boston and Worcester and the western corporations. They were not in a condition to consolidate then; the stockholders had a profitable investment, but a provision of the act made it to the interest of the stockholders. All of us have lived to see a wonderful change take place. The speaker came from Europe last summer, and was gratified at the great change that had taken place; the Boston and Albany Railroad had more freight than they could bring. Mr. Bemis reviewed the purchase of the Grand Junction Railroad, in the act for which was a provision that the Lowell and Fitchburg roads could have the same privileges; consolidation had put the receipts up to nine million dollars. The Lowell road, since the extension of the Central road to Lake Champlain, seeing what facilities there are for bringing freight to water, have constructed this large station at a million dollars, and have incurred a debt, and find in order to accommodate the freight they have been spending their money in the flats and wharves, and find themselves best just begun. Mr. Bemis drew a picture of the warehouses on Grand Junction wharf, and asked what can the Lowell road do to compete with the Albany road? Therefore this corporation, seeing they have just entered upon this expense, come and ask us to join with them. Well, suppose we don't unite? The first question is this station; what shall we do? We look at the new station with four tracks, and ready for two more, and we must go and build large elevators and warehouses. We must have better facilities for bringing steamers to our wharf. I propose to look into the future and see if it will pay. We are two hundred miles nearer Liverpool, and if you can extend our arms into the interior and bring grain from the West any one will see the advantage it will be in the future. Mr. Bemis urged the importance of the action of the day, and they should show that they have managed the corporation for the interest of the public stockholders. He had lived to see the advantages of consolidation on the Albany road, and had seen Brighton and Newton have the same accommodations as Springfield and Worcester. Mr. Bemis recounted the advantages which the Fitchburg station would be to the Eastern road, and relieve it of the dangerous crossings which have troubled it so long. He looked to the saving of passenger and of freight facilities, the saving of rolling stock, the decrease in expenses and the consequent larger dividends which would ensue. He said if the Vermont and Massachusetts and Troy and Greenfield roads were able to unite with the Fitchburg and make the necessary outlay, he would say amen. But unless they make such facilities as will induce the steamers to come here, the ten millions spent by the State on the tunnel will have been made in vain. He desired the figures estimated for the consolidation which has been made, and if equitable terms are offered he hoped such action would be taken as would be best.

President Stearns hoped the question would be discussed for the benefit of the directors. So far nothing has been done, except an examination of the subject by the directors, some of whom wanted time to consider, and it finally became so late that it was better to wait till the stockholders should come together. When the tunnel line was first started its advantages were obvious; but matters are now changed; the opposing lines are rid of the old delays. We cannot say what amount of freight will seek the tunnel line, as it will depend on the arrangements to be made with the New York Central. If we would compete we must have as good terminal facilities as our powerful competitor. Mr. Stearns stated the estimate of the expense, if the Fitchburg does not consolidate, to be $3,250,000, for elevators, land and docks, passenger station, remodelling, equipment, etc. These expenditures should be made to secure the trade through the tunnel, if we hope to have any chance of success. If we fail to provide the facilities, we must not complain if we lose the business. Whether you consolidate or not, you have got to expend $2,760,000. The question is whether the Fitchburg road shall do it alone or with some other. The estimate of the expense of consolidating with the Vermont and Massachusetts road is $5,885,000. On the other side of the question, we save in operating expenses $67,000 a year, or a capital of $838,000, at an expenditure of nearly six millions for the two roads, while the effect on our dividends would not be favorable. The next estimate is for the consolidation with the Lowell, which will cost $3,011,850, or in consequence of the recent improvements, the terminal facilities can be secured at a cost of $238,250 less than either road can provide them alone. To state the matter in another way, by consolidating, the Boston and Lowell Railroad and the Fitchburg are furnished with the necessary equipment and both lines obtain unequaled terminal facilities, and the expenses saved by the consolidation to the Fitchburg are $1,380,000. Mr. Stearns stated the points of similarity between the two roads and the advantages of the scheme. The divided interests of the two lines could not make the necessary expenditures; separated they could not compete with other lines; united they could compete with any and all. The improvements of the Lowell wharf can be obtained by consolidation. The great object is to secure a line of steamers to our wharves, which neither might be able to do alone.

Mr. Wheildon of Boston had been much interested in the subject, and in the statements of Mr. Stearns. He offered the following:—

Voted, That the directors of the Fitchburg Railroad be and they are hereby authorized to enter into negotiations with the Boston, Lowell and Nashua, Vermont and Massachusetts, Cheshire or other connecting railroads, for consolidation, lease or purchase, or make separately or jointly with them or either of them, such business arrangements as may be deemed best for the several corporations interested, and calculated more effectually to promote the public interest; provided, that no such arrangements shall be considered as final until approved by a vote of the stockholders at a meeting specially called for that purpose.

Mr. Derby of Boston seconded the motion; he had been a pioneer in the consolidation of the Western road, in which he was a young director, and he had had faith that the mountain could be removed and it soon will be. Now is the time for action; the road was unexampled in prosperity. He did not believe opposing and competing lines are profitable. Half the capital of the Lowell road is here in this city or in the vicinity; they have a great area for connection with Europe by steamships, they have a large property for depots for freight from the West. He hoped to see the line extended to the confines of New York and to Lake Superior. He hoped they would make a strong company by going with the Lowell road. Mr. Derby thought the Vermont and Massachusetts road ought to do something for itself, and they will do it when we have united with the Lowell road. We must maintain our dividends, else we cannot raise money on our bonds; keep up the dividends and we can get all the money we want. We require a very large amount of capital to make the necessary expenditure, and to get capital we must be strong at home. Mr. Derby showed the great advantages of connection with the branches of the two roads. They would secure two important things and vast depot grounds and facilities for getting freight from the West. He hoped a strong vote would be passed to strengthen the directors.

Mr. Bemis proposed an amendment that a committee of stockholders be appointed to confer with the directors, if it be asked for, but it was the sense of the meeting that it was not advisable; but a motion was passed empowering the directors to appoint such a committee.

Mr. Faulkner of South Acton asked whether all the money spent in the tunnel ought to be given to the Lowell road. The question is if we unite with the Lowell, wont the Vermont & Massachusetts consolidate with some other road and hold the key to the tunnel, and the Fitchburg be left out in the cold?

Mr. Ware of Fitchburg had a deep interest in the Fitchburg road and was a director in the Vermont & Massachusetts. It seems we are left entirely in an indefinite position. Nothing has been said if the road is to advocate consolidation. He said the Vermont and Massachusetts would never appear as a threatener of the Fitchburg road, but it must be obvious that the State will not stand still, and when they find that this road will not consolidate with the tunnel line, then the thing suggested by the last speaker will occur.

Mr. Welch of Boston did not understand this as a threat. He had an interest in both roads, and had a high respect for both. We have got to compete with the Western road. We meet the Central road at Troy, where we compete with the strong Western road, the president of which is a director in the Central. If it should happen that we can't get freight that way, we have got to stretch out our arms. Now our line is not composed of all strong roads, which had repaired and rebuilt at great expense. Now we have not facilities in Boston to supply the needs of the public. The advantages of consolidation offered by the Lowell road were greatly in excess of those over the other, and in view of the great work we have to do the stronger we make ourselves the better. Now let the two roads go on separately, fighting each other, we shall find ourselves without dividends, and in time, a capital impaired, Self-preservation demands it. He didn't fear but that if united with the Lowell road they could give the Vermont and Massachusetts better advantages than alone, if the latter would only look at it in a generous spirit.

Mr. Crocker of Fitchburg said that he did not think it possible for any one to grasp the exigencies of terminal facilities. When he purchased twenty-three acres in Charlestown, one of the directors said, "We must get bread, Crocker, at all hazards," and to make peace I had to get rid of him. We might take the whole territory, and yet in a few years we would want more. In regard to the navy yard, he hoped they would get rid of it. He had struggled to get an interest for this and the Lowell road in the Grand Junction. The Cunards have asked me, When is that Tunnel to be done? Boston is destined to be the great shipping point of the cereals of the West. He reviewed the history of the Vermont and Massachusetts road, which was built through a God-forsaken country, the difficulties of its construction by not being run on the Winchendon line, but there isn't a road in the State that has got the life in it that the Vermont and Massachusetts has, when put to the test. It has a city at both ends and is getting a great deal of freight today. There never has been a time that the Fitchburg hasn't lent aid to the line. He was proud of Boston, and had high hopes of her future. When the Tunnel road is through and fairly organized, then will Massachusetts appreciate the importance of that road, just as they did when Vanderbilt offered to buy it. It won't be a weak road.

The vote of Mr. Bemis was passed unanimously. Adjourned.

...g, January 29, 1873.

FITCHBURG RAILROAD.

Stockholders' Annual Meeting—Action Relative to Consolidation.

The stockholders of the Fitchburg railroad corporation held their annual meeting, yesterday, in the hall over the depot in this city. President W. B. Stearns occupied the chair. The attendance was quite large. The first business entered upon was a choice of directors for the year ensuing, which resulted in the choice, unanimously, of William B. Stearns of Charlestown, Alvah Crocker of Fitchburg, P. B. Brigham of Boston, Cyrus Wakefield of Wakefield, and C. U. Cotting of Brookline. The stock vote was 7004 votes for each director.

While the votes were being counted, Mr. Seth Bemis of Watertown moved that the question of the consolidation of the Fitchburg with the Lowell, Troy and Greenfield, and Vermont and Massachusetts railroads, be considered. He proceeded to state his views on the matter, reverting first to the experience of the Worcester and the Western railroad. Five years ago these were separate corporations. At that time the steamers of the Cunard line had to go to New York to get their freight, because there were no facilities to bring the great grain products of the West to Boston. These two roads were then united, and the Boston and Albany road purchased the Grand Junction road, established its terminal facilities at East Boston, and the consequence was that for the next three years after the consolidation the corporation earned a dividend of 18 per cent. per annum. The steamers of the Cunard line returned to Boston, and now they were not able to take all the freight brought to them over this line. The line had reduced their rates on freight from 3 32-1000 to 2 62-1000, while their receipts were increased from $5,000,000 to $9,000,000 per annum. The legislative act which authorized the consolidation, provided that the Fitchburg and the Boston and Lowell railroads should have equal rights with the Boston and Albany road in the Grand Junction road and its terminal facilities, but these corporations neglected the opportunity. Now the Lowell railroad, with its magnificent depot and its thirty acres of territory on Mystic river for freight business, found that it must get a chance to control some of the freight which can come by the tunnel route two or three days sooner than by the Erie canal and the Boston and Albany railroad. The Fitchburg road, which now has connections to the tunnel, must have better facilities in Boston for the accommodation of freight and passengers, larger elevators and more track room. If Boston can successfully extend its arm into the interior, she will control the Western trade, for she is 200 miles nearer to Liverpool than is New York. Another reason for consolidation is that the tracks of the Fitchburg road now cross the tracks of every road coming into the northern part of the city, and this would be obviated if the road should unite with the Lowell, so as to have the privileges of their splendid passenger depot. There will be a saving of expenses for depots, elevators, land for track-room and running expenses, while the receipts will be increased. Unless some gigantic effort was put forth the $10,000,000 expended by the State for the construction of the Hoosac tunnel would have been wasted.

President Stearns thought the only question was to find what steps can be effected that will give accommodations in Boston equal to its competitors. Then the question is whether the Fitchburg Railroad Company will make these improvements alone, which will amount in cost to $3,259,000, with the tunnel line as an assistance, or whether the company will unite with another strong company needing the same, and which will furnish its share of the expense and its portion of the business that will grow out of it. The expenses of the Boston and Lowell and Nashua railroad to furnish necessary terminal accommodation will be $3,011,850; but if the consolidation is made there will be a saving of $1,350,000 to each road. Among the advantages to be derived is to secure a line of ocean steamers running to their wharves, and again is to be considered the present crossings of the two roads.

Mr. W. W. Wheildon of Boston said that under the call there could be no legal action taken, and knowing that and desiring to get the sense of the stockholders on the subject, he offered the following:

"Voted, that the trustees of the Fitchburg railroad be authorized to make negotiations with the Boston and Lowell, Nashua and Lowell, Vermont and Massachusetts, Cheshire, or any other connecting road, for consolidation, lease or purchase, for such business arrangements that may be deemed best for the several corporations interested, and for the public, provided that no such arrangement shall be considered as binding until approved by a vote of the stockholders at a special meeting called for the purpose."

Mr. E. H. Derby of Boston thought that the time had come for action, and that the Fitchburg railroad should commence at once. In relation to the Boston and Lowell railroad, we should take into consideration the fact that one-half its capital lays within three miles of this city. If you unite with that, you will have their great land facilities, and, through the influence of Mr. Crocker, we shall soon acquire the Navy Yard. In relation to the Vermont and Massachusetts railroad, let them do something for themselves. Let them equip their road, straighten out their track, and then talk about consolidation. You must do business enough to pay dividends, or else your bonds wont sell. We requite a great deal of capital to do our work, and we must consolidate to do this. It is asked: What have we to do with the Boston and Lowell railroad? Stand with me at the tunnel, and look eastward. We want one day to go to Salem and Newburyport, and we can't do this without their branches. This is one advantage. Another is the acquisition of large depot facilities.

Mr. Bemis moved that the directors be instructed to appoint five of the stockholders as a consulting committee in this matter, and this was adopted as an amendment to the motion of Mr. Wheildon.

Mr. J. W. Faulkner of South Acton wished to guard against the changing of the direction of the consolidatd roads, if made, so that the roads coming in could not take the Fitchburg tunnel and then turn some other way than the present running of this road.

Mr. Ware of Fitchburg, speaking for the Vermont and Massachusetts road, said he had a large interest in both roads. The Vermont and Massachusetts Railroad Company does not appear here as threateners, but the State mustn't be trifled with in this matter. When we find out that this road does not intend to consolidate with the tunnel road, then the Vermont and Massachusetts will go somewhere else to get its terminus in Boston.

Mr. Welch of Boston had received dividends from the Vermont and Massachusetts, but he was at a loss to know from what they were derived. The question is, what shall we do to get Western trade. If we can offer better facilities than the Boston and Albany railroad, we should do so, and come into competition. The Boston and Lowell Railroad Company offer seventy acres of land and a splendid depot as inducements for consolidation. If you try to acquire this, without the Lowell road, you fail. That road is a dangerous competitor. It runs to Concord, and will run to Fitchburg, and then it will offer the Vermont and Massachusetts more money than you can afford to pay. Then, too, it has the Massachusetts Central railroad to Shelburne Falls, and it can tap you that way. The Vermont and Massachusetts will benefit by the consolidation in the long run.

Alvah Crocker of Fitchburg said that the exigencies of terminal facilities were not properly appreciated by any man, even the shrewdest of railroad men. Years ago he purchased for the road thirteen acres of land in Charlestown, and stockholders and directors demanded his removal for his extravagance. They deemed that two or three acres would be all that would ever be needed, but the facts were that the road was now cramped for track and freight depot room. He advocated, as he had always done, the removal of the Charlestown Navy Yard. A single word about this poor old Vermont and Massachusetts railroad. It was built through a God-forsaken country, but if it had been justly treated, its stock would have been worth as much as ours today. The natural route of that road was through Winchendon. Its stock fell to $6 or $7 a share, but there is not a road in the Commonwealth that has so much life in it as has that. As soon as the tunnel is done, it will be in the same position as the Fitchburg railroad. About the crookedness of the Vermont and Massachusetts railroad, the road is fully as straight as is the Western railroad. The road wont be a weak road when that hole is put through.

Mr. Wheildon's motion then passed unanimously, and the meeting adjourned.

FITCHBURG RAILROAD.

Annual Meeting of the Stockholders—The Question of Consolidation with the Boston and Lowell Road—A Vote in its Favor.

The annual meeting of the stockholders of the Fitchburg Railroad Company was held at the office of the president, at the depot in Causeway street, at quarter past 11 o'clock this forenoon, the president, William B. Stearns of Boston, in the chair. On motion of Mr. Bemis of Watertown, the meeting proceeded at once to the election, the result being that votes on 7004 shares were cast, the whole of which were for the following named persons, who were declared elected: William B. Stearns of Charlestown, Alvah Crocker of Fitchburg, P. B. Brigham of Boston, Cyrus Wakefield of Wakefield, and C. U. Cotting of Brookline.

Mr. Bemis of Watertown called attention to the project of consolidation with other roads. Five years ago, he said, the Boston and Worcester and the Western railroads were separate corporations. At that time the steamers of the Cunard line had to go to New York to get their freight, because there were no facilities to bring the great grain products of the West to Boston. These two roads were then united, and the Boston and Albany road purchased the Grand Junction road, established its terminal facilities at East Boston, and the consequence was that for the next three years after the consolidation the corporation earned a dividend of 18 per cent. per annum. The steamers of the Cunard line returned to Boston, and now they were not able to take all the freight brought to them over this line. The line had reduced their rates on freight from 3 32-1000 to 2 62-1000, while their receipts were increased from $5,000,000 so $9 000,000 per annum. The Legislative act which authorized the consolidation provided that the Fitchburg and the Boston and Lowell Railroads should have equal rights with the Boston and Albany road in the Grand Junction road and its terminal facilities, but these coporations neglected the opportunity. Now the Lowell Railroad, with its magnificent depot and its thirty acres of territory on Mystic river for freight business, found that it must get a chance to control some of the freight which can come by the tunnel route two or three days sooner than by the Erie Canal and the Boston and Albany Railroad. The Fitchburg road, which now has connections to the tunnel, must have better facilities in Boston for the accommodation of freight and passengers, larger elevators and more track room. If Boston can successfully extend its arm into the interior she will control the Western trade, for she is 200 miles nearer to Liverpool than is New York. Another reason for consolidation is, that the tracks of the Fitchburg road now cross the tracks of every road coming into the northern part of the city, and this would be obviated if the road should unite with the Lowell, so as to have the privileges of their splendid passenger depot. There will be a saving of expenses for depots, elevators, land for track room and running expenses, while the receipts will be increased. If the speaker thought that strength enough would be brought by union with the Troy and Greenfield and the Vermont and Massachusetts railroads to meet this expense and to control the western trade against the great competitor, the Boston and Albany, he would not urge the union with the Lowell, but he considered that the strength of all these and the Boston and Lowell was needed to develop the interests of these several lines and of Boston. Unless some gigantic effort was put forth the $10,000,000 expended by the State for the completion of the Hoosac Tunnel would have been wasted.

President Stearns wanted a full expression on this subject, for the guidance of the directors. It was certain that the Fitchburg road had a powerful competitor in the Boston and Lowell, and whatever the result in regard to consolidation the future business of the tunnel route would depend largely upon contracts with the New York Central road. If a combination could be formed with sufficient strength and with proper terminal facilities that road would be forced to give advantageous terms. Mr. Stearns had examined the matter carefully, and had estimated that the Fitchburg Railroad must expend for the construction of an elevator, the purchase of land for track room, repair shops, passenger depot, freight depot, and other contingencies, $3,259,000, whether the road was consolidated with the roads at its western terminus—the Troy and Greenfield, and the Vermont and Massachusetts roads—or not. If, however, a union should be formed with the Boston and Lowell and the Lowell and Nashua roads, the expense of these improvements would be $3,011,850—some $248,000 less than the expense of making them by the Fitchburg Railroad alone. The Fitchburg road was 50 miles in length, and had about 31 acres of land in and about Boston for the accommodation of its business. The Lowell road was 41 miles long, and had over 70 acres of land to do business upon at its Boston terminus. The increase of business had been about the same on the part of both roads for several years. The advantages of the Lowell Railroad were unexcelled and could only be secured to the Fitchburg road by consolidation. The Fitchburg road must have connection with foreign steamers, and there was no other manner of obtaining this so feasible as by availing itself of the facilities of the Lowell road.

Mr. W. W. Wheildon of Boston, in order to bring the matter formally to the consideration of the meeting, offered a resolution of the following purport:

That the directors be authorized to enter into negotiations with the Boston and Lowell, Lowell and Nashua, Troy and Greenfield, Vermont and Massachusetts or Cheshire railroads, or any other railroad corporation, for consolidation, lease or purchase, or for such business arrangements as may be deemed necessary for the several corporations interested; providing that no such action shall be deemed final until ratified by a vote of the stockholders at a meeting called for that purpose.

Mr. E. H. Derby of Boston favored the resolution. He wanted to make the Boston and Lowell road an ally and not a rival in the great business of the future. He spoke not only of the advantages of that road in Boston but of its facilities in Essex county, which by consolidation the Fitchburg road would enjoy.

Mr. Bemis moved that the directors be instructed to appoint five of the stockholders as a consulting committee in this matter, and this was adopted as an amendment to the motion of Mr. Wheildon.

Mr. Faulkner wanted every caution exercised to guard against other roads obtaining the control of the key of the Hoosac Tunnel route.

Mr. Ware of Fitchburg, although not presenting any arguments for or against the main question, desired to see a definite expression on the whole subject.

Mr. Welch of Boston said that the Boston and Lowell Railroad was a dangerous competitor; it had already the control of the Lexington road, and was extending towards the Hoosac tunnel by way of Concord and Ashburnham; and self-preservation demanded of the Fitchburg road that it should unite with the Lowell.

Alvah Crocker of Fitchburg said that the exigencies of terminal facilities were not properly appreciated by any man, even the shrewdest of railroad men. Years ago he purchased for the road thirteen acres of land in Charlestown, and stockholders and directors demanded his removal for his extravagance. They deemed that two or three acres would be all that would ever be needed, but the facts were that the road was now cramped for track and freight depot room. He advocated, as he had always done, the removal of the Charlestown Navy Yard, so that the land could be devoted to commercial purposes. Boston needed it, and the present use of that territory was a nuisance. The Fitchburg Railroad must have more room in Boston, and the most feasible opportunity was to consolidate with the Lowell, whereby the room of the Fitchburg road would be increased from 30 to 100 acres.

Mr. Wheildon's motion then passed unanimously, and the meeting adjourned.

The Hoosac Tunnel.

The fate of the Hoosac Tunnel depends upon the firmness of the present members of the Legislature in refusing to part with the control of that great enterprise. The people have been taxed to build it, and it is the property of the people, and the State cannot, in justice to the people, allow its advantages to inure to the benefit of private parties. We find in the Adams *Transcript* an article which contains a good deal of sound sense, and we commend it to the members of the Legislature as worthy of their attention. The hearing now being held appears to be verging toward a point when we are to be told that certain parties have certain *rights*. This is mere humbug. There is not a corporation in the State that has any rights in this tunnel:

"We were congratulating ourselves that the project of a railroad from this village to Albany was safe, and that the road would be built the coming season. The arrangements for building the New York part of the road are well nigh completed; the land damages are provided for, the bridge over the Hudson river is secured, to connect with Western lines, tapping the great coal and lumber regions; everything is ready for the commencement of the work in the spring, and now comes this consolidation scheme with its peculiar conditions, and threatens to defeat the Albany road. Are our business men awake to the danger? This Albany road is of immense importance to this village. It will form a competing line with the Troy and Boston, and thus reduce freights to this village to the minimum prise. It is estimated that this village and vicinity consume annually one hundred thousand tons of coal, and this consumption increases every year. There will be a saving of one dollar on every ton, if this road is built, thus saving a hundred thousand dollars every year, and this is only one illustration of the benefits which we shall experience from this new line. But this village is not alone in this perpetual benefit, for all the towns and cities along the Tunnel line will share in it. Shelburne Falls, Greenfield, Turners Falls, Fichburg and Worcester even, and Springfield will get cheaper coal if this Albany road is built. It will make a competing line with the Boston and Albany and reduce freights wherever a branch road can be built to intersect with the Tunnel line. Worcester, Springfield and Northampton can now reach the Tunnel, and freights in all these places will drop as soon as the Tunnel line is in complete operation. The far-reaching effects and revolutions of the Tunnel enterprise are not half comprehended yet, by the most sagacious. But some of the railroad kings and speculators do understand it, and are working with great shrewdness and energy to block this road, and their hand already appears in the consolidation bill introduced into the Massachusetts Legislature. This bill provides for a consolidation of the Troy and Boston with the Tunnel, but does not provide equal privileges for the Albany road. It leaves this road out in the cold, subject to uncertainties concerning its future relations with the Tunnel. These relations may be made exceedingly onerous, unequal and unjust. It gives its rival—the Troy and Boston—a clear advantage and an opportunity to manifest its opposition in the Board of Directors. This will operate to discourage and delay, if not defeat, the construction of the Albany road. Now why should the Troy and Boston be preferred to the Albany road in this scheme of consolidation? The line to Albany is the shortest and straightest, and according to well settled laws of railroad economy, should be preferred. To consolidate with the Troy and Boston is to prefer a longer, more circuitous route and pay a much larger sum for their road and then *have no bridge* over the Hudson for Western connections. By consolidating with the Albany road, the bridge is secured, for they own one, while the Troy and Boston do not, but will be at the mercy of Vanderbilt for any such accommodations. No one knows who in New York stands behind the Troy and Boston or the Albany, *but the State of Massachusetts ought to be wise and firm enough to keep out of the clutches of any hostile monopoly and make the best attainable through line, giving all foreign roads an equal chance to bring their freight and business to the Tunnel.* If consolidation with the Albany road secures the shortest and best line, then why should not this be done, giving the Troy and Boston equal and satisfactory accommodations? The question should be decided so as to promote the interests of Massachusetts, and should not be affected by the rivalries of foreign railroads. Vanderbilt may be in league with the Troy and Boston, and Ramsey or some railroad autocrat may conspire with the Albany road, but this State should hold all these parties at bay and keep her great Tunnel *free from the grasp of either side and open forever to all.* 'Millions for defence but not a cent for tribute;' everything to promote the flow of business through the tunnel and nothing to prevent it!

This is the critical hour in the fate of this great enterprise. Great interests are struggling to control and monopolize it; rival roads are plotting to obstruct and destroy its feeders; speculators who own stock in poor roads, bought at low figures, are seeking to realize fortunes by the consolidation; foreign roads are combining with home influences to promote their selfish purposes at the expense of the State. Now is the time for the State to be vigilant and wary; now is the time to guard against hostile combinations; now is the time to settle all questions upon the proper basis and preserve and promote the best interests of the State."

BOSTON DAILY ADVERTISER.

WEDNESDAY MORNING, FEB. 5, 1873.

LOWELL AND FITCHBURG.

A project so important and wide-reaching as the proposed consolidation of the Fitchburg and Boston and Lowell railroads should receive the most candid and careful consideration. It is a project in which the prosperity of our city and State as well as that of the two roads in question is vitally concerned, and is of so radical a nature that every phase should be clearly understood before results *pro* or *con* are reached. We have already referred to some of the leading features of the plan as developed or in progress in some directions, and as a public hearing is appointed for the 11th instant, it may be well to consider some of the points that will doubtless be urged in favor of the consolidation. We state these points simply as a matter of history, without, however, entering at this time into the discussion of them.

Boston's immediate necessity and demand is easy and sufficient facilities for transportation between tide-water and the great West. The Hoosac tunnel, to be opened within a twelvemonth, is the leading factor in this problem; how to utilize it to the greatest public advantage, is the leading question. The Boston and Albany road is now the great carrier, but so imperative will be, and even now is, the demand for increased facilities that no matter how many routes are opened, all will be taxed to their utmost capacity. The great lack at Boston has been, and is today, proper terminal accommodations. The Fitchburg road has, in round numbers, thirty acres of wharf and yard room, and the Boston and Lowell about seventy acres. If these roads continue to run separately and as competing routes, each must build its own wharves and elevators, and furnish facilities for through business; but what each cannot do properly alone, they can do together, it is said, in a satisfactory manner, and at a great saving of expense. The Lowell road has already been at large expense and with the added abilities of the Fitchburg road can speedily provide all that will be necessary to make a competent through route so far as our own city is concerned. The Fitchburg road would sell its stone passenger station and surroundings to the Eastern road, and the funds thus received would aid largely in meeting the necessary expenditures at tide-water. Further, both roads would then use the commodious new passenger station of the Boston and Lowell road, and additional facilities in that direction would not be needed for a generation to come. As an incidental result of such a change, but one of great importance to the travelling public, would be the doing away with the dangerous, but hitherto unchangeable, grade-crossings of the Fitchburg, Eastern, and Boston and Maine roads at Charlestown. This is one of the most perilous places in all New England railroad travel, and several futile attempts have been made in our legislature to remedy the evil. In the present project, the evil cures itself.

On the supposition that the Fitchburg and the Vermont and Massachusetts roads unite, the former assumes a burden that it could not well carry. A large amount of money—say three millions—must be immediately expended on the Vermont and Massachusetts to put it in proper condition for a great through route; rolling stock is to be furnished at large outlay, and terminal facilities provided at tide water. The Vermont and Massachusetts has not the funds, and the Fitchburg must meet the emergency. President Richardson of the Vermont and Massachusetts was clearly correct in his statement at the hearing at the State house a few days ago, that in case of the union of the Fitchburg and the Vermont and Massachusetts, the former could not pay any dividends. But if they should unite, it is not in the power of the Fitchburg Railroad to obtain such water-front and wharf and store-house room as the business will inevitably demand; it cannot purchase it, for it is not to be had, and besides, there would be nothing but an empty pocket-book at command. With the seventy acres of the Boston and Lowell road, and the improvements amounting to a million and a half of dollars already made, and others in progress, with the new passenger-house, supplemented with what the Fitchburg road would bring, the question of proper accommodations at this end of the tunnel route would be easily and satisfactorily settled. Should these two roads unite, *then* there would be means to purchase, or hire, or unite with, the Vermont and Massachusetts, make the necessary repairs, and furnish the requisite rolling stock.

We do not at this time extend our observations over the Hoosac mountain, and see what is to be done between North Adams and whatever point connection is to be made with the New York Central, or what route may suggest itself to the lakes; there is sufficient this side for present consideration. So far as a consolidation of the Fitchburg and Boston and Lowell roads affects the northern travel and transportation, we need not repeat what we said a few day ago. The two roads, with their many branches and connections, now come in contact at so many places, and cause such inevitable and oftentimes curious diversions of business, that it is not surprising there should be in some quarters a strong feeling in favor of the union. It is apparent that the Hoosac tunnel is now the great attraction of railroad men, not only in New England but in New York, and it is well to "keep it before the people" that it must be so used as to be of the greatest advantage to the State, and not be sacrificed to "rings," or to unworthy methods. As to which roads shall in future enter the tunnel, and on what terms, there will be various plans. If the Fitchburg and Boston and Lowell roads should unite, and purchase, hire or unite with the Vermont and Massachusetts, the new corporation could draw the freight and passengers of other roads at a fixed rate per ton and per capita, and pay the amount thus accrued to the State. There is no danger that either the Fitchburg or the Vermont and Massachusetts will loose their long hold of the tunnel; they have waited and struggled for weary years, and now that we can almost see daylight through the mountain, we hope arrangements will be made that will subserve the interests of the railroads and of the public; and they are here largely identical. The question is also to be considered whether, in case the consolidation is not carried into effect, the Vermont and Massachusetts would be for sale to the highest bidder? There certainly would be buyers in the field, but in such a scramble the State would have to be trusted to protect the public interests.

These are some of the points which, as we understand it, will be urged in favor of the union of the Lowell and Fitchburg roads. There is much force in them; whether the travelling and mercantile community, the great public whom they serve, will be benefited or not by the union, we purpose to consider hereafter.

Boston Times.

BOSTON: FEBRUARY 9, 1873.

OFFICE, 12 SCHOOL STREET.

The Hoosac Tunnel Consolidation.

Since the announcement of the letting of daylight into the Hoosac Tunnel from the central shaft, and the Governor's urgent appeal to the Legislature for a consolidation of the tunnel railroad line, or the purchase of it by the Commonwealth, certain classes of the community have been considerably excited on the subject. It is supposed by some parties that Boston and the Commonwealth are to receive immense benefits from the business to be obtained by means of the Hoosac Tunnel, while other parties, who observe the great change in things since the tunnel was projected, look upon these expectations as not well founded. It may be that there are reasons to support each of these views; but the sounder sentiment seems to be with the sanguine party, and the practical questions now are how best to secure the business and how to provide for it.

In the Legislature the subject was promptly taken up by the Railroad Committee, and the hearing was opened on the 29th, chiefly on the point of a consolidation of the Tunnel line between Boston and Troy. As the hearing progressed it soon became apparent that there were different views on the question of consolidation and as to the parties which should be included in it. It is admitted on all hands that a very large amount of money is to be expended on the railroads in the increase of rolling-stock and in the preparation of "terminal facilities." It is well known that, excepting the Fitchburg Company, no one of the other companies in the direct line is in a condition of means or credit to afford weight or aid to the enterprise, and the Fitchburg itself is wholly without terminal facilities for the reception and shipment of any considerable amount of grain and Western produce to be expected by the consolidated Tunnel line. In viewing this state of things a strong opposition has manifested itself against the consolidation of a weak and incomplete line. This state of things, as developed in the hearings before the Committee, has suggested the plan of uniting the Fitchburg and Lowell Railroads at this end of the line in order to form a strong and controlling organization. This in point of fact is the question before the Legislative Committee, and which must ultimately come before the Legislature.

The subject is one in which the city of Boston is deeply interested, in fact represents the whole Commonwealth. The commercial prosperity of Boston is that of the State, and whatever promotes her interest benefits the whole Commonwealth. It is for her interest that the Tunnel line should be a strong and efficient line in every respect. The question, who shall or shall not be parties to the consolidation; whether the State will sell, lease or make a toll-gate of the tunnel, or join in a stock combination; whether one corporation shall absorb all the others, or whether the State shall absorb them all,—or better still, whether a new and independent organization possessed of adequate means and acquired facilities shall consolidate the line in the interest of all the parties and the public, remain to be considered and determined.

The great purpose of consolidation is to place the Tunnel line, whether to Troy or Oswego, under one management. This may be either a consolidation of government, or it may be a consolidation of capital and interests, or one partaking of both elements and leaving the tunnel in the hands of the Commonwealth. Consolidation itself is not a finality; it demands a process as well as a purpose. It may include parties in the direct line to and beyond the tunnel, or parties whose interests are similar and whose energies are directed to the same purposes. It may be effected by the Commonwealth, by one or more of the parties already named or by a new organization which may include all of the parties in interest.

In the consummation of this measure various interests are to be combined; various complications to be unravelled and reconciled; various conditions to be averaged and equalized; various ramifications near and remote to be followed out and concentrated, and all these are to be illustrated by the known conditions of the parties and a whole volume of statistical information. These are to be resolved into one purpose. What the Governor wants, what the people want, what Boston wants, what Oswego wants, what all parties want, is, that plan of consolidation which will place the line under one management and best subserve the public interests.

We want consolidation that shall be efficient, capable, commensurate with the purpose and business of the line; consolidation that shall be able to surmount and command obstacles, control means and produce the best, largest and grandest results. We want consolidation that shall be able to do this with promptitude, certainty and benefits. We do not want a consolidation that is to be nursed and nurtured; embarassed and trammelled; immediately and perhaps continuously incompetent; but one that shall show our earnestness, our means, our resources; and in its practical results, exhibit the business character and the business strength of that Commonwealth that penetrated the mountain for its highway and accomplished in this respect the grandest work of the age. That is the kind of consolidation that is wanted. That is what the Lowell and Fitchburg railroads want; that is what the people of Boston want; that again is what the Commonwealth of Massachusetts wants; nothing less; nothing impotent, nothing subjective. We do not want two or more feeble competitors; two or more insignificant rivalries. We want a consolidated line that shall be as solid as consolidation can make it; a consolidation that shall not flinch from any competition, whatever its character that may be imposed upon it. There will be competition, of course, because competition is inevitable. Competition is to the business world what electricity is to the physical; it can neither be got rid of nor dispensed with. We must have competition whether we want it or not, and we must be able and willing to meet it. There is no danger in competition; it is the very inspiration of excellence and efficiency.

But Massachusetts, in her present crowning enterprise, we think, need not compete with herself. We cannot afford to place the Fitchburg line in competition with the Lowell and weaken both, nor yet the two together with the Boston and Albany. Our competition must be broader, farther reaching, and possibly towards the great West it may be generous and noble. The competition of Massachusetts lines, however combined and consolidated they may be, must be with the commanding lines of the Erie Canal and the Hudson River, the Lakes and the St. Lawrence, or the great lines of railroads in these directions—if indeed, so rapid is the progress of development and increase in the Western country, there be any need of it even here. We are disposed to regard it as fixed as geographical lines can make it, and as certain as the fertility of the great wheat fields, that competition to any appreciable degree between the two Massachusetts lines, when in full operation, will be uncalled for and unnecessary. We should not seek it; we must not court it or fear it. The competition of the Boston and Albany road is today with the Hudson River and its lines, and in this competition—while both parties are overburdened with business beyond their means—not a nerve can be relaxed. No new conflict, if such were imminent or impending, can be engaged in, and we feel confident none will be necessary. Each line, were its capacity much greater than it is or will be, will have all the business it can do.

Gentlemen who talk of competition and rivalries take too narrow a view of this subject. The field is vastly larger than they are prone to admit, and there are millions of bushels of grain in the West awaiting the means of transportation to be afforded by this line. The Hoosac Tunnel, whatever it may be to us, will prove immensely beneficial to the West. The crops—this year to be burned as fuel in the severest winter known beyond the Mississippi—will next year find their way to the seaboard under the Hoosac Mountain. To meet the requirements, we have placed upon this consolidated line a new organization—potent as that which the Lowell and Fitchburg companies alone can make, and possessing facilities which they can already command, demanded, as we think, by the best interests of Boston and the Commonwealth.

W. W. W.

* Mr Joy in his testimony Feb 14th says of the new line "It is of greater importance to the west than to the east." He so says.

THE BOSTON AND LOWELL RAILROAD AND THE GRAIN AND FLOUR DEALERS.

Sixty-three firms, representing the grain and flour dealers and shippers of Boston, headed by Kimball & Hastings, Scudder, Bartlett & Company, and John J. Newcomb, have united in a memorial to the president, directors and managers of the Boston and Lowell Railroad, urging the immediate construction at tide water of an elevator of a million bushels capacity, in connection with that line of road, as a means of developing as well as maintaining the trade and commerce of the city. They urge that with proper terminal facilities a very large amount of the foreign grain trade may be secured to Boston—a business which this season will exceed fifty million bushels, and of which New York has now almost the monopoly. With such an elevator owners of steamships would be assured of freight from this port, a large import trade would spring up, and emigrants would come to this port instead of going to New York, and the Lowell road would derive benefit from the increased travel. The probability of a very large emigration from Europe is dwelt upon, and ground is taken that by having a regular line of steamers connected with the Lowell road, that imports, exports and emigration would be largely increased. The memorialists say:—

"Boston being situated one day nearer Europe than New York, with a better harbor, with superior facilities, with lower port charges and with many other advantages, would at once secure a very large proportion of the trade of the continent. With regular lines of steamers many articles used in our manufactures would be shipped from Europe at low rates, and this city being the distributing centre for the manufacturers of New England, would in a far greater degree than at present attract buyers from every part of the country, and every branch of business would be correspondingly benefited. Your road, with its connections northward to the St. Lawrence, is the line of lowest grades and elevations between the seaboard and the West. Freights can be transported at lower rates than upon any other line. That Boston may be made the Atlantic terminus of a line which may become a grand highway of the nation, cannot be doubted by any one who carefully examines the relations of this city to England on the one hand and the West on the other."

They then state that the success which has attended the erection of the elevator at East Boston makes the enterprise a surety, and urges the erection during the coming season of an elevator by the Lowell road, pledging their hearty aid and coöperation toward it,

Mr. George Stark, the manager of the Boston and Lowell Railroad, says in reply that the directors of that road are in perfect accord with the memorialists as to the desirableness of such action in all respects, and alludes to the fact that the company has purchased a suitable area at deep water on Mystic River, and been at a large expense in connecting it with the main road. He says, in substance, that the directors do not think themselves warranted in incurring the expense of an elevator, because the several interests composing the line to the St. Lawrence and the lakes are not united, and the sentiment in New Hampshire is averse to such a union. He enlarges upon this view as follows:—

The northern line as at present constituted—subject at any moment to be broken up, to have its business directed to other roads—would be always working at a disadvantage, not only for itself but for the public; under such conditions it is possible that an elevator, instead of being a success, would be ruinous to the company and of no advantage to the public. Speaking in behalf of the directors of this railroad, I can assure you, gentlemen, that in case a union of interests is effected between this corporation and the Fitchburg and connecting roads, no effort will be spared to give at once to the shipping interests of Boston and the public generally all needful terminal facilities.

The imports of flour and wheat into England during three years were as follows: 1869, 82,969,000 bushels; 1870, 69,151,000; 1871, 73,980,000. The receipts from the United States and Canada during those years were: From the United States, 1869, 28,504,000 bushels; 1870, 28,122,000; 1871, 26,080,000. From Canada 1869, 6,340,000 bushels; 1870, 6,422,000; 1871, 6,307,000. Russia supplied an equal amount. This does not include corn, which, with the wheat, makes the total shipments of grain from this country about fifty million bushels per annum. Russia does not produce corn; this country is the one great producing corn region of the world, and the foreign demand for that cereal is rapidly increasing. There is every reason to believe that when the connections are completed to Oswego on the one hand, that when the Caughnawaga canal connecting the St. Lawrence with Lake Champlain is constructed on the other, two-thirds of the entire amount of grain exported from this country will find its cheapest and quickest outlet at this port.

To obtain an approximate idea of the terminal facilities that will be needed, let us assume that one half the amount shipped last year will be secured to this port—25,000,000 bushels. This would involve the shipment of 80,000 bushels a day for the 313 secular days of the year, an amount large enough, with other produce that would offer, to load two steamers. To transport that amount from the interior to the seaboard will require 242 cars per day, or eight trains of thirty cars to a train; placed in a line they will occupy nearly two miles of track. As most of them will be loaded with return freight, many miles of side track will be needed; how many it is not possible to compute, but a glance at the ever increasing blockade of cars in the Boston and Albany yards, on the side tracks all the way from the freight house in the city to Brookline, is sufficient to show that an area as large

The Boston and Lowell road has asked for an amendment to the charter of the Great Northern railroad, so that the Fitchburg, the Cheshire, and the roads in the tunnel line may be included. The roads in the tunnel line have also included the Cheshire in their scheme of consolidation. The Cheshire, it is understood, is quite willing to go into a strong corporation, and practical consolidation can be secured without resorting to legislation in New Hampshire. The people along the line of the Cheshire, instead of opposing the scheme, are in favor of it, inasmuch as it will be the opening of a great thoroughfare, with a double track, ere long, and increased accommodation. The act recently obtained in Vermont, reorganizing the Vermont Central, with power to purchase or lease other roads, may be made available from Bellows Falls to Ogdensburg at once, by the Rutland, and by building twenty miles on the Vermont side, between Bellows Falls and Windsor,—for which a charter has been obtained—the Vermont Central will be brought into the consolidated line, independent of the Suillivan road, which is owned by the Northern, but leased to the Central. Thus it will be seen that by consolidation in Massachusetts there will be practically a union of all the interests between Boston and the St. Lawrence.

The time is near at hand when Boston is to take to herself a large share of the foreign grain trade of this country. With the completion of the tunnel and the construction of 130 miles of road between the Troy and Boston and the Oswego and Midland; with the Caughnawaga canal constructed between Lake Champlain and the St. Lawrence, we shall have two routes over which grain may be taken to England several cents a bushel cheaper than by any other lines. By the construction of the Caughnawaga canal, a vessel of 1200 tons may load at Chicago and discharge at Burlington or Ticonderoga at a cost of about ten cents a bushel. It is 234 miles from Boston to Burlington, via Bellows Falls, and 201 to Ticonderoga. The distance between Boston and Oswego will be 343 miles. Consolidation contemplates the securing of the grain trade of the West by Lake Champlain in one direction and Lake Ontario in the other, both of which will have a common route from Fitchburg to Boston, and, if the tunnel is held by the State, as we believe it should be, the Massachusetts Central and other roads will be able to reap all the advantages their connections may give them with the consolidated line.

It is evident that a large amount of capital will be required for the construction of docks for the numerous steamers that are to enter this harbor, for elevators of large capacity, for store-houses and yard room for cars. We are to keep in mind the fact that England will purchase this year more than one hundred million bushels of grain; that New York will send out more than one-half of that amount. The steamers carry, upon an average, about 50,000 bushels. Suppose that Boston secures one-half the amount now shipped from New York, it would require 400 steamers to transport it. If consolidation is carried out with broad and comprehensive views of the future, we shall soon see a daily line of steamers plying between this port and Liverpool.

SHARP TALK BY THE WEST.—The Chicago Tribune thus refers to free navigation from the West to the ocean: Having waited so many years in vain for any liberal or national policy on the part of the State of New York, the West now turns hopefully to the Dominion of Canada, where a broader spirit prevails, and where already the enlargement of the Welland and other canals has been begun, and where they do not hesitate to tax themselves to secure the trade of the farmers of the West. That great work will be prosecuted with vigor, and when the St. Lawrence shall be navigable for our steamers and larger craft from Chicago to Montreal, Senator Lord will not be afflicted with taxes for carrying our breadstuffs to New York. Then there will be free navigation to the ocean, and New York may revel in the proceeds of her thirteen canals which do not even now, at high rates of toll, pay the salaries of the gate-keepers and toll-gatherers. It is also cheerful to know, in this connection, that Boston hopes, by means of the adoption of a liberal home policy, to secure at least one-half the shipments of grain to Montreal, by taking advantage of the close of navigation on the St. Lawrence. A short and independent route to Boston will secure this, coupled with several lines of first-class ocean freight steamers.

BOSTON DAILY ADVERTISER.

FRIDAY MORNING, FEB. 7, 1873.

THE GRAND JUNCTION.

GREAT GROWTH OF BUSINESS AT EAST BOSTON—THE NEW ELEVATOR—OTHER IMPROVEMENTS—THE DOMINION LINE—THE LORD CLIVE—THE LARGEST CARGO EVER EXPORTED.

It is three years this month since a modest advertisement appeared in the papers announcing that the Boston and Albany Railroad Company would run a freight train each way to East Boston over the Grand Junction Railroad. For a long time it was often with difficulty that cars were found for the train, and sometimes there was great danger that the locomotive would be obligid to make the trip alone. But times have changed since then, and instead of the single train of half empty cars there are now nine heavily-loaded trains passing over the road each way, beside occasional extras—going east with the products of the West, Chicago corn, Wisconsin wheat, Ohio oats, Peoria pork and Pennsylvania petroleum, and west with the great variety of imports, foreign and domestic, which find their way to the East Boston wharves. The visitor to the Grand Junction wharves will behold a scene in strange contrast to that of three years ago. Instead of a vast and lonesome expanse of pathless yard, with here and there a rusting rail, an empty elevator in gloomy perspective, deserted wharves and rotting hulks, with perhaps a coaster laid up for repairs, and a few dilapidated warehouses given up to the bats and spiders, one now beholds a scene which for bustle and stirring activity finds few equals. Even within a year great changes have taken place. The ground is covered with a perfect network of tracks, and long lines of cars forming a labyrinth in which if one becomes entangled it would not be easy to find the way out, puffing locomotives darting in every direction among warehouses numerous enough to make a good-sized western city, and which have arisen in even a more wonderfully short space of time, filled with imported goods awaiting delivery, and everywhere preparations in progress for still greater facilities for the accommodation of the rapidly growing commerce. At the wharves, besides the steamship business, large quantities of goods from the East Indies are discharged, and the number of light-draft vessels is constantly increasing, bringing plaster from the Provinces, lumber from Maine and coal from Philadelphia, to distribute at all points on the Boston and Albany road. Large quantities of lumber, particularly, go to Springfield, and coal is distributed from this point all over the interior of the State.

The addition to the elevator will be double the size of the present structure, and will increase its capacity to a million bushels, making it one of the largest in the country. By means of this elevator the railroad company will be able to load, with grain alone, a steamer a day, or six steamers a week, for Liverpool—seven by working Sundays. It is intended to have the elevator completed and in readiness for the fall trade. Owing to the dulness of the market in Liverpool, there has been but little export of grain this winter, none being received from the West, and none having been sent from this part since early in September. There are now but about 25,000 bushels in the elevator. The bulk of our exports is now provisions, our trade in this respect already assuming vast proportions. The cargo of nearly every steamer that has sailed lately has been comprised chiefly of provisions, which are just what is wanted for winter export, there being no danger of their spoiling on the passage. Large quantities come from the West, and the large establishments here, as North, Meriam & Co., and J. P. Squires & Co., are building up a large export business. The export of grain will begin early in March, and will be kept until late in the season. Large as the increase in our exports and imports have been of late, according to present indications it is evident that Boston will astonish herself this year in both respects. At the wharves here three Liverpool steamers were lying on Wednesday. Two, the Lord Clive of the Dominion line, and the Olymphus of the Cunard line, finished loading yesterday, and the Ganges of the Warren line is discharging a large cargo.

The Lord Clive is the largest merchant steamer which ever entered this port, and is a splendid vessel of 3400 tons. She is about a year old and was built at Liverpool. She was intended, as her name implies, for the India service, but was purchased by the Dominion Steamship Company, and was during last summer run to the St. Lawrence. She is 400 feet long, with three decks and a vertical bow, resembling somewhat in appearance the boats of the famous White Star line. There are

four masts, the main and foremast square-rigged and the other two rigged fore-and-aft. There are no bulwarks, their place being supplied by light iron rails, enabling the ship to clear herself instantly when she ships a sea, and making her much more seaworthy. The cabins, etc., are all below, giving a fine, clear, open deck. Though built with special reference to a large freighting capacity, she has excellent first-class cabin accommodations, the saloon being handsomely fitted up and heated by steam, and the staterooms being larger than is usually the case, and very neat, comfortable and cosey. Among other improvements, the vessel is steered by steam, securing easy control in rough weather. The apparatus for this purpose is worked by a fine engine of six-horse power. In speed the Lord Clive is something above the average, and the two trips to this port have been made in remarkably quick time, considering the unusually rough weather and adverse gales.

The Lord Clive brought a cargo of 3200 tons, the largest which ever entered this port, and yesterday carried out a cargo of 3600 tons,—400 more than she brought, consisting chiefly of provisions, 1200 tons of which were from Chicago and the rest from this city. The Dominion line has achieved, in the short time its steamers have been running here, a well-deserved popularity, and already there is talk of increasing its service to this port. As the stock of the line is largely owned in Montreal, the winter boats will continue to call at Portland on the return trip from Boston, for the accommodation of Montreal shippers, but the Lord Clive, being so large, will continue to run to Liverpool direct. There is no difficulty in obtaining cargo enough from Boston for Liverpool, the Portland call being made only for the accommodation of Montreal. The summer boats will all run between Boston and Liverpool direct. The company is building two new iron steamers, the Dominion and the Ontario, of three thousand tons each, and if the line continues to meet with its present success it is intended to run a weekly line to Boston next season.

The Cunard steamship Olympus, Captain Gill, sailed from this port yesterday for Liverpool with 9 cabin and 30 steerage passengers, and a full cargo of American produce, including 222 bales cotton. The Lord Clive sails today. The Medway, Captain Harris, of the Temperly line, is only seventeen days out from London, having sailed on the 20th—four days later than was advertised.

PRESS AND POST.

THURSDAY MORNING, FEB. 6, 1873.

New Avenue to the West.

It is too fortunate a coincidence not to be esteemed providential, that simultaneously with the efforts for rebuilding burnt Boston a new route to the Great West should be opened for the rapid increase of its business and the development of its resources. The Tunnel Route does not fail of its due appreciation by our merchants and business men, who very properly manifest their desire to see it utilized immediately after its completion. They ask the Legislature for an act of consolidation for all the roads which are capable of forming a through line. There is, in fact, no alternative to an act of this character, because in no other way can the Tunnel be promptly put to service for the popular benefit and the State's commercial greatness and prosperity. Granting that the necessary arrangements are made between the four roads named in the petition before the Legislature, there still remains a terminal deficiency to be supplied, about which quite as much care, if not cost, will have to be employed as has been put into the construction of the Tunnel itself. The object of the Tunnel was of course to form a new and short connection between two given points; and it would be like setting it aside to leave the necessary provisions unmade at the point of reception. If the Fitchburg, with its careful management and usual foresight, has already made the preparations that are at all commensurate with the requirements of the new situation, then all is settled as it should be, and only popular congratulations remain to be exchanged. But if it happens to be deficient in these on any such scale as the business over the new avenue to the West must demand, then there is a remaining point in the matter to excite the public reflection. For what is done about putting the completed Tunnel to service must be done quickly, and the less the immediate outlay the better for the State and the whole enterprise.

The Lowell road comes forward with the offer of terminal facilities of the very character and to the full extent required, and makes the proposition to consolidate with the Fitchburg in constituting the through line on a basis that shall be acceptable to both sides. What the Fitchburg wants the Lowell has, and by their joint effort it can be put in practicable shape by the time the track is laid through the Tunnel. It is certainly a state of things that requires serious consideration, the public benefit being all the time kept in view. The problem seems to be to bring together what now exists apart, and what is needed in an united form in order to make the Tunnel route the success it was intended to become. The labor of the State at the Hoosac Mountain depends for its ultimate repayment upon the existence of sufficient terminal facilities for a through road. If the Fitchburg can at once command them, that terminates the discussion; if it happens to be the Lowell that possesses them, then the public necessities require that they shall be promptly turned in on some terms or another for the general benefit. So that the State is just as much interested in securing ample conveniences for a large and increasing freighting business at tidewater as any individual road can be. This being kept steadily in view, it will at once counsel and encourage such steps on the part of such roads as will best promote the interests of this business. In one sense, the State is mistress of the situation, and in any it has a voice that has a prior claim to audience and respect. Its policy clearly will be to do that which is most surely to develop the prosperity of the State, provide cheap transportation, reduce the price of commodities for the people, and build up the commercial prosperity of its capital. If any union of railroad advantages already provided will secure all this, every facility ought to be extended for its speedy accomplishment.

The Western Farmers.

Wrought up by high freight tariffs to a feeling of resistance to the railroads, the farmers of the West have recently held a numerous delegate convention at Bloomington, Illinois, and framed their complaints and organized the remedies within their reach. Several States, through the new agricultural "granges," or clubs, which have been forming during the past two or three years, have combined in earnest to resist what they deem the extortion of the railroads, with a direct view to make agriculture a more fairly profitable occupation. The West is the great continental granary and food reservoir, and the railroads are the main conduits to carry supplies to the world outside through the Atlantic shipping ports. The complaint is, that transportation charges absorb all the visible profits of the year's labor. To turn the problem over with a view to its proper solution, one would say without any hesitation that the relation between the producing and the carrying interests was a strictly mutual one, and the difficulties in the way of establishing a perfectly satisfactory understanding were wholly of a minor character. For it is perfectly evident that the railway system of the country rests on the productiveness of the great interior, while the condition of continuing and still further developing that productiveness is that its way to the ocean shall be open and unobstructed. The golden egg cannot be had faster than it is regularly laid. The recent convention of farmers' clubs assert that the high rates of transportation are pressing the life-blood out of the West, and that higher freights and fare are both extorted than the law allows. As one means of relief, they demand the opening of the St. Lawrence canals, so as to bring tide water to Chicago; and likewise the construction of the Rock Island Canal, so as to bring the Western river system into closer connection with the East. In addition to this, they are moving for a general and close organization of the farmers of the several States of the West, having for its distinct object the shaping of legislation to harmonize with their overshadowing interests.

The railroads, on the other hand, are not yet disposed to regard this as a movement distinctly of the people, but rather of local politicians and demagogues, and take the occasion to protest that they have never intentionally discriminated against the farmers. As for any such equalization of freights as are demanded between competing and non-competing points, the railroads simply say that, thus deprived of the great aggregate of business received from competing points, they would be compelled to throw the weight of their loss upon those which do not compete. They insist, therefore, that there is no way left them but to discriminate against non-competing points, giving lower tariffs from distant ones than from nearer ones. They aver that they must carry corn at the low rates forced upon them by competition, or not at all; they allow that it adds immensely to the volume of business, while adding nothing to the interest account of stockholders. And they turn and ask the farmers if they would see this great volume of competing business dwindle away by a rule assessing all points alike and compelling the non-competing points to share the loss. They further urge the farmers to consider that equalized rates to tidewater would discriminate against the more distant producer to the extent of prohibition, and give all the advantage to the nearer one, the Western Iowa farmer being entirely thrust aside by his rival of Eastern Illinois. Such is the railroad reasoning to demonstrate the impossibility of a uniform freight tariff, on which the farmers are supposed to take their stand.

The fast freight lines are called by the farmers a Credit Mobilier inside the railroad system. They say that freights are sure to receive despatch by these, when produce is suffered to lie over on the ordinary freight lines, the reason being that the former are run largely in the interest of railroad managers, at extra rates of freighting. It is charged that cars are frequently refused to those who would ship outside the fast freight lines. Of course all this receives an emphatic denial from the railroads themselves, who in turn complain that high rates, obstructions, extra charges, losses from delay, and in fact the impediments that continually show themselves in the whole system, are due to the fact that there are but three available trunk lines to convey the vast accumulations of produce from Chicago to the East; and they express the hope that this lack of transportation avenues to the Atlantic coast will be speedily supplied by action at the East. Scarcity of transportation puts a premium on the transportation facilities which are available. The pressure is acknowledged to be very great, and every movement towards its removal is hailed with satisfaction. The railroad managers at the West illustrate the state of affairs by saying that freights for a distance of five hundred miles to Chicago are but fourteen cents per bushel, while from Chicago to New York they are thirty-six cents, a distance of nine hundred and sixty-three miles. The proper charge should be but twenty-seven cents, the other nine cents per bushel coming out of the producers' pockets. The situation thus discloses in the clearest possible light the necessity of pushing through the Tunnel Route with the utmost energy, and of being all ready on its completion to avail ourselves of the new avenue it will throw open to the far interior. Consolidation must stand at each end of the Tunnel with the rails in its hands to lay through its length of excavation. The very necessity of relieving this intense and increasing pressure on the productiveness of the West is the token and support of a commercial growth for Boston which cannot be too early or thoroughly comprehended.

Wednesday
42 Jan 29th 1873

Legislative Committee Meetings.

RAILROAD CONSOLIDATION.

The Joint Standing Committee on Railways heard parties interested in the consolidation of the Fitchburgh and Vermont & Massachusetts railroads and the other railroads leading from Boston to Troy by way of the Hoosac Tunnel; also upon the petition of the Vermont & Massachusetts Railroad Company for the consolidation of the Hoosac Tunnel line of railroads from Boston to Troy. W. W. Rice appeared for the Boston, Barre & Gardner Railroad; George O. Shattuck for the Massachusetts Central Railroad; John B. Goodrich, E. H. Derby and J. B. F. Thomas for the Fitchburg Railroad; Charles Allen for the Troy & Boston Railroad; J. B. Mills for the Williamstown Railroad; S. W. Bates and B. F. Thomas for the Vermont & Massachusetts Railroad and other petitioners.

B. F. Thomas stated that a consolidation was sought by the Boston & Lowell and Fitchburg railroads for the purpose of defeating the project before the committee. He suggested that both projects should be considered as one, and that the union of the Fitchburg and Boston & Lowell should be taken up first to give the other party an opportunity to reply.

The chairman, after consultation with his associates, concluded to proceed as originally contemplated.

Charles Allen then opened the case for the petitioners for the consolidation of the Hoosac Tunnel line of roads from Boston to Troy. He said the Hoosac Tunnel might be considered an established fact; that the mountain would be pierced through by next fall; and that a through line to Troy would be in practical operation by another year. This series of roads as they now existed, should be brought under one control under the new order of things contemplated by the completion of the tunnel. The original charter of the Troy & Greenfield, given in 1848, contemplated this harmonious action in its provisions. The lease of the Southern Vermont road, effected in 1856, also contemplated a like result, and the Troy & Boston Railroad was here today to surrender its special privileges to that end. An agreement entered into between the Fitchburg, Troy & Boston and Vermont & Massachusetts roads in 1857 was to the same purport; and still another similar agreement was made in 1863, each agreeing to pay the State, after the completion of the tunnel, twenty per cent. on all through freight or passengers over the Tunnel road until the revenue from the tunnel, clear of debt, should reach six per cent. on the outlay upon it. By these agreements the straightest line was secured, and one the least subject to steep grades. The Troy & Boston road was under bonds for the Troy & Greenfield road, and also leased the Southern Vermont Railroad in perpetuity at twelve thousand dollars per year, which was paid into the State of Massachusetts with other moneys in furtherance of the through Tunnel scheme. The actions of all these roads through a long series of years had committed them to the consolidation now proposed. The State had two interests in the route—a pecuniary interest directly and a general interest for the benefit of the people at large. These interests overtopped all private interests. How shall the State look after its own interest, as well as that of the public? The companies directly affected proposed consolidation of their interests with those of the Commonwealth, and had introduced the bill now before the committee. Mr. Allen admitted that the problem was a difficult one, owing to a multiplicity of interests that must necessarily remain distinct until legislative action was taken.

Mr. Allen then explained the principal features of the bill, which provides that any two of the four roads interested may join with the Commonwealth on terms to be settled by three commissioners appointed by the Supreme Court, unless other agreement is voluntarily made. If the Fitchburg Railroad neglects or refuses to unite, the corporations that do join are required to extend and furnish terminal facilities at tide water, in Boston, before 1877, purchasing whatever extension line or part thereof that they may find completed; the Commonwealth to complete and lay a track through the tunnel, and finish the Troy & Greenfield Railroad. The capital stock shall not exceed $25,000,000, and in case of the issue of bonds, both capital and bonds shall not exceed that amount. The governor and council are to appoint four directors for one, two, three and four years respectively, the whole number not to exceed thirteen. If a fair apportionment of stock cannot be agreed upon, a money value can be placed on the several roads, and proportionately divided. The corporation shall be known as the Hoosac Tunnel Railroad Company, and shall have power to hold additional land. The consolidated line is authorized to purchase the franchise of the Cheshire Railroad at any time within two years, if the State of New Hampshire so agrees. The Vermont & Massachusetts Railroad is authorized to sell that portion of its road between Miller's Falls and Brattleborough, and any other road chartered by the Commonwealth is authorized to purchase it. The rates for passengers and freight over the line shall not be in greater proportion over other lines than the enhanced cost of tunnel construction will warrant, all revision of rates to be made by the governor and council. The latter provision was introduced, Mr. Allen said, in view of the fact that the new line would be brought into direct competition with the Boston & Albany and other through Western lines.

S. W. Bates stated that the Tunnel route to the great lakes was one of three that were early determined upon after Stephenson's perfection of the locomotive. The State had aided in the establishment of all these lines—the Boston & Albany, the Hartford & Erie, and the one now under consideration. Boston capital had aided largely in all. A fourth had also been completed via Ogdensburg by private enterprise. The union of any of these four lines, one with another, was not natural, and the policy of the State would be better subserved by keeping all through lines, the plans of which had been determined upon, forever distinct. The Fitchburg and connecting roads were projected with a view of carrying ont the Tunnel line, and should now be kept to their original purpose, having solicited State aid in forming the connecting link through tho Hoosac rock. Mr. Bates exhibited and explained a map of the route between Boston and Lake Ontario. The abolishment of the Ashburnham curve, he said, was the object of the clause in the bill authorizing the purchase of the Cheshire Railroad at that point. The distance between Boston and Albany, by the Boston & Albany Railroad, was two hundred and one miles, while that between Boston and Troy, by the proposed Tunnel line, was but one hundred and ninety miles. Mr. Bates said he had nothing to add to what the governor had said in support of the measure, and claimed that as the Boston & Albany Railroad had proved a benefit to the State, the Tunnel line would prove of even greater advantage. But the union of two competing lines, like the Fitchburg and Lowell, was not to be considered beside the consolidation of connecting roads.

Adjourned until Thursday, at 10.30 A. M.

JANUARY 30, 1873.

Thursday

Legislative Committee Meetings.

THE CONSOLIDATION OF THE TUNNEL RAILROAD LINES was the subject of continued hearing before the Joint Standing Committee on Railways today.

S. W. Bates, for the petitioners, introduced a second map showing the various through Western routes alluded to yesterday.

Charles Allen, also for the petitioners, cited the various acts chartering the several connecting roads of the Tunnel route, in support of his remarks made yesterday urging the consolidation after the completion of the tunnel; and also introduced records and governmental authorizations of leases made with a view to eventual consolidation. The several annual addresses and messages of the late Governor Andrew were likewise cited.

Daniel S. Richardson, president of the Vermont & Massachusetts Railroad Company, testified in behalf of the project. He stated that his road had been of more proportionate expense to private individuals than the tunnel had been to the State. The money that had been sunk in the accommodation of the public, put to any other use, would have afforded ample returns. Though the local traffic had somewhat increased since the line was constructed, it had been for some time apparent that the road was built too soon. The original capital invested was $2,860,000. Massachusetts, he said, owed a great deal of her prosperity to the Western Railroad, from which a great deal of the opposition to the tunnel project came in 1853, on the ground that the construction of the latter would prove ruinous to the Western Railroad and the State alike. The opposition continued urgent until 1862, when two bills were introduced, namely, the Tunnel bill and an amendment to it, practically in opposition. An intervening amendment, providing for the appointment of a State commission, to whom was to be referred the matter of completion or abandonment, was happily passed as a compromise, and Messrs. Brooks, Felton and Holmes received the appointment. Their report, made to the succeeding Legislature, was favorable to the continuance of the work, and was supported by Governor Andrew in a special message, which Mr. Richardson quoted from. The subsequent offer of the Fitchburg and Vermont & Massachusetts railroads to lease the Tunnel road was alluded to, and Governor Andrew's remark, that the public demand for transportation would be equal to the railroad facilities added by the opening of the through line when the tunnel should be completed, was dwelt upon as evidence of the single purpose of consolidation of the continuous roads then in view by all parties in interest. The fact that the consolidation of the Worcester and Western railroads was forced by the determination of the latter to have terminal facilities in Boston was adduced in support of a similar provision in the bill now under consideration in favor of the two or more roads that should accept the act of consolidation sought. One competent head should manage the line through the State to insure success. It had been suggested that poor corporations like the Vermont & Massachusetts and the Troy & Boston could not build a new road from Fitchburg to Boston; but Mr. Richardson enumerated several ways by which the feat could be accomplished, among which was connection with the Clinton & Fitchburg, the Lowell, or some other road, which the Commonwealth, for the protection of its own interest, would eventually compel. A double track would be required on the Vermont & Massachusetts road on the completion of the tunnel. He hoped the tunnel would not be made a toll-gate by the State, which would be the natural result of its separate operation by the Commonwealth. He wanted the Government to keep its interest jointly with the roads that were to be benefited by it, and act with them in its operation as part of a through Western line. He had no doubt, however, that in the event of the non-completion of the tunnel, a profitable local business would eventually be developed for the Vermont & Massachusetts and Troy & Greenfield roads. The earnings of the former for the past year yielded four per cent. over expenses, which was an advance over the previous year, and the prospect was good for a continued increase. The Fitchburg Railroad, Mr. Richardson said, had developed such an extensive local business that it was indifferent to adding the heavy accumulations of freight likely to result from the opening of the tunnel. The road was valuable, and its managers did not seem to take the same view of the profit to be derived from the through business that others did. The committee of the inland roads had declined to award the Fitchburg road all their preferred stock in guaranty as a condition of consolidation, for the latter had no right to demand so much on a traffic that promised to be permanent; consequently arrangements for running to Boston would have to be made, either with the Fitchburg or some other road, until articles of consolidation with one of them could be agreed upon. Being reminded by Mr. Goodrich that no provision was made in the bill for arrangements other than consolidation with the Fitchburg or absolute ownership of eastern terminal facilities, Mr. Richardson stated that the required change in the bill could be easily made.

George O. Shattuck, for the Massachusetts Central Railroad, asked Mr. Richardson if he could give a reason why the Tunnel road proper, having no local traffic of its own, should not be held as an avenue to the West for the use of all roads running in that direction who desired to use it, on the principle of a bridge across a navigable river—the Albany Bridge, for instance, which was used in common by three corporations. No direct answer was elicited; but Mr. Richardson adhered to his former statement that one head should control the through line, as contemplated by all the action hitherto taken by the Commonwealth. He evidently did not believe the tunnel should be held in trust for the use of competing lines.

B. F. Thomas, for the petitioners, stated that it was not proposed in the articles of consolidation that the cost of the tunnel was to be charged to the immediate road a part of which it was, but to the four roads, in proportion to the benefits each would derive, and suggested a change in the bill to render its meaning clearer.

George O. Shattuck contended that as the tunnel had been built at the expense of the people, it should be forever kept in trust for the use of all roads seeking to benefit the State by increasing its transportation facilities to the West, and not be turned over to the control of a single monopoly.

Mr. Richardson stated that personally he desired consolidation and all the terminal facilities in Boston that could be obtained, whether by the further union of the Fitchburg and the Lowell, or by other means, so long as there was a perfect union of all in interest, so that there would be no division of control. The matter of the union of the Fitchburg and Lowell roads had not yet been considered by his directors, and he did not know what their views were.

Daniel Robinson, vice-president of the Troy & Boston road, stated that the Fitchburg and Vermont & Massachusetts roads, in 1847, appropriated $1000 each to procure the survey of a through line to Troy, and asked the Troy & Boston road to join in the contribution. Mr. Edwards surveyed the route, and made a map, for which he received $8000. The charter was obtained and the Troy & Boston road was built in 1850. In 1852, twenty-seven miles of the road were in operation. The Troy & Greenfield road afterward urged the Troy & Boston road to complete the other seven miles of its track. The roads were to be operated by covenants for through business and the question of consolidation was not discussed until Mr. Haupt contracted with the Commonwealth for the completion of the tunnel. The proposition came from the Fitchburg line; but to the surprise of all, when the eventual cost of the tunnel became apparent, the Fitchburg Railroad declined to perfect the consolidation, because it would not pay. The Troy & Boston road was doing a profitable business—a net earning having been developed of $3,400,000 in a business of $7,200,000—and had as much reason to back out as the Fitchburg, but did not do so. The Fitchburg, by negotiating a stage business over the mountain, adhered to the idea of through business, but declined to enter into a complete union until a business was developed. Mr. Robinson contended that a through business would never be developed under four separate managements, and still urged consolidation. Vanderbilt saw the point and endeavored to buy out the whole line. Negotiation was kept up with a view to a union until the Boston fire, when he was notified that owing to that event nothing more would be done in the matter at the Boston end. Mr. Robinson came to Boston and found that it was not the Boston fire but a "Lowell fire" that was in the way. Subsequently the managers of the Troy & Boston, Troy & Greenfield and Vermont & Massachusetts roads came together and adopted the bill now under consideration. The tunnel in the hands of only a portion of the line, he knew would never pay, but in consolidated hands it would prove of immense importance. He had considered himself under obligations to the State to hold the road for the completion of the tunnel and for subsequent consolidation, and had refused two good offers for the road and its stock on those grounds alone. The Fitchburg road now wanted a guarantee of a profit of eight per cent. until the tunnel paid, as a condition of consolidation.

Adjourned until Tuesday, 10.30 A. M

[Another report of the hearing see page 48]

THE RAILROAD CONSOLIDATION.

The First Hearing on the Consolidation of the Hoosac Tunnel Lines of Railroad—The Petition of the Vermont and Massachusetts Railroad—Open Arguments—A Large Attendance and Great Interest.

[REPORTED FOR THE BOSTON POST.]

Yesterday morning the Railway Committee opened the hearing upon one of the most important questions to be settled at the present session of the Legislature, the consolidation of the Hoosac Tunnel line of railroads making a through line to the West. The hearing was held in the Green Room, and there were a large number of prominent railroad men present, beside members of the Board of Trade, Commercial Exchange, and other associations of business men. The hearing will probably be continued for an indefinite period and will be an all-absorbing topic for some time to come. George O. Shattuck, Esq., appeared for the Massachusetts Central Railroad, Hon. A. W. Rice for the Boston, Barre and Gardner, Mr Mills for the Williamstown and Hancock Railroad, John B. Goodrich for the Fitchburg Railroad, Samuel W. Bates, Esq., and Judge Thomas for the Vermont and Massachusetts road, and ex-Attorney-General Charles Allen for the Troy and Boston road. The hearing was held in the Green Room, and there were a large number of prominent railroad men present.

In opening the case for the petitioners Judge Thomas said he represented what had been supposed to be from the beginning the established policy of the Commonwealth in the construction of the Tunnel road, and that was the opening of a new, distinct and independent railway to the West. The only new question which occurred to him was the consolidation of these roads, and this had perhaps been settled by their railroad experience of the last few years. There were two questions that came up in settling the matter; first, whether, in view of the property which the Commonwealth has in the tunnel and in the roads connecting with it, this measure were a wise one, in view of a wise and prudential use of the property; and secondly, whether it is a wise use of the property with reference to the larger interests which the people of the Commonwealth have in this enterprise. He wished to suggest that this question be heard as one question, and if any one had an interest which was opposed to this movement that it should be heard now; that all parties who are opposed to the general policy of the consolidation of this line should now be heard, whether it be the Boston and Lowell, the Fitchburg or the Commonwealth, that the petitioners may have an opportunity to reply to all objections that may be made. The Chairman said the Committee had decided to give the usual hearing upon such matters, and of course in this case they would have the privilege of the closing argument. Mr Bates said they did not propose to put in any witnesses unless they were needed, but would like to have the case left open that they might have an opportunity to put in rebuttal testimony if it were needed.

THE OPENING ARGUMENT.

Mr Allen said if it were agreeable he would make a little opening statement in support of the petition of the Vermont and Massachusetts Company, for the consolidation of the roads from Boston to Troy. Heretofore and for many years it had been the custom of those who had felt an interest in the establishment of a new through line to the West to appear before the Legislative Committees of Massachusetts, for the purpose of persuading the Legislature and the public that the tunnel was worth building; and for that purpose, for year after year, with great variety of detail and with a persistency well known of all men in Massachusetts, they had laid before the Legislature and its Committees statistics going to show the advantages that would come from the establishment of this road, and showing the distance that would be saved between here and the West, and the differences in grade between this road and others running from the West to the East. To-day that argument was settled. The tunnel is now virtually an established fact; unless every reasonable prediction fails, the early autumn will witness the complete penetration of the mountain, and next year will see the line between Boston and Troy in full operation. The question which arises now, to demand the attention of Massachusetts, is what shall be done with the line which is so soon to be finished? The present situation of affairs is that the line which is to be opened to Troy, within the next eighteen months, from Boston is owned by four distinct companies, viz.: the Fitchburg, Vermont and Massachusetts, Troy and Greenfield, which embraces the Hoosac Tunnel and is the property of the Commonwealth, and the Troy and Boston, running from the western line of the State to Troy, a distance of 35 miles. These four leading interests now control the management of this great line of roads. What is to be done? It has always been the case, since the first idea was entertained of creating the Troy and Greenfield road, which includes the Hoosac Tunnel, that the line of road between Boston and Troy should ultimately be managed and operated as one line. He did not say that it was the original contemplation that they should be consolidated into one corporation, because perhaps the details of the methods on which a uniformity of action should be brought about had not been distinctly arrived at. But it was from the outset, and has been until the present day, the general expectation that this line of railroad should be operated as one and that there should be the benefit of a harmonious management. This is shown by all the official and public action taken by the Commonwealth and by the roads composing the line. In the first place, the original charter of the Troy and Greenfield road, which was passed in 1848, chapter 307 in section 8, provides that the corporation may contract with the owners of any contiguous roads, or make arrangements for the letting or hiring of any other contiguous roads which compose a part of the railroad line between the cities of Boston and Troy, of which they are a part. So that as early as the first grant of the charter there was an express recognition that it was chartered with a view that it should form a part of the continuous line of railroad between these points, which should be operated in harmonious action. Then in the year 1856 the Troy and Boston road took a lease of the Southern Vermont Railroad, which has been published among the documents of the State. That lease provides that the parties to the contract shall use their influence to bring about a proper and equitable consolidation of the Troy and Boston, Southern Vermont, Troy and Greenfield, Vermont and Massachusetts and Fitchburg roads. This was the first formal pledge of these companies to labor distinctively for the object which is now presented to the people of Massachusetts for their consideration. In redemption of this pledge the Troy and Boston Railroad have always looked to that end, and is here to-day to lend its influence and surrender its property in order that the road may become a part of such a consolidated line. In the following year, 1857, there was an agreement made and entered into between these four roads, to seek to bring about the consolidation of their various interests. The agreement was dated July 1 and looked to the operation of all the roads as one line, so far as that there shall be a continuous line between Troy and Boston. It also provides that when the said Tunnel is done and the Troy and Greenfield road is finished, connecting with the Vermont and Massachusetts, that they shall maintain permanent joint tariff on passengers and freights, at such fair rates as will best command and control the business of the country which can be attracted. In 1863, after the report of the Brooks Commission, appointed by Gov. Andrew to look into the management of these roads, an agreement was made that in consideration of the expectation that the Commonwealth would go on and complete the tunnel, these several roads agreed to pay to the Commonwealth after the time when the tunnel was completed twenty per cent. of their gross receipts from passengers or freight coming over any part of the Troy and Greenfield road, until the receipts and revenues of the State from their road should amount to six per cent. upon a certain sum—the cost. Mr Chisholm—Was not that an inducement to the State to go on and build the road? Mr Allen—Certainly it was; but Gov. Andrew congratulated the Legislature that the committee was fortunate enough to secure it with regard to some matters a little more particular. The Troy and Boston road was laid out and constructed with reference to forming a portion of the through line at no matter what the expense was to be. It is constructed with the fewest possible curves and at the least possible grade, and in doing so several important and flourishing villages have been avoided. Whenever the extension of the line is carried out to the West, there will be no changes necessary. There is also another fact connected with the financial management of this road. They have taken a perpetual lease of the Southern Vermont road, for which they pay $12,000 yearly, which comes to the Commonwealth and has done so since 1862. Not only that, but at the time before the State undertook the construction of this road, and when it was deemed desirable to obtain the subscription of towns in Western Massachusetts through which the road would pass, the State authorized them to make subscriptions to the Tunnel road and take such guarantees as might be obtained. The Troy and Boston, in no less than five instances, has guaranteed the payment of the interest on their loans of these towns to the Troy and Greenfield. In all, they have become responsible for $280,000 in this plan, of which $200,000 has come to the Commonwealth. This is the way in which all these parties stand committed to-day. But there may be another higher interest than that of these several corporations, and that is the interest of the Commonwealth of Massachusetts as a Commonwealth, and the public or general interest of the people. The interest of the Commonwealth must be looked after and protected. The money it has paid for the Tunnel must be cared for, and that is a direct interest which should be made valuable to the Commonwealth. The question should also be satisfied as to the wisest way to provide for the future development of the public interest. This road and the Vermont and Massachusetts adhere to the original idea that the most advantageous thing for the State is the consolidation of all the interests from Boston to Troy into one corporation, providing fairly for the interests of the State, and having the State become a member of the corporation on such terms as would be deemed advantageous and proper. Accordingly, a bill has been drawn, prepared by the Troy and Boston and Vermont and Massachusetts Companies, and accepted by both. The following is the bill:—

AN ACT to provide for the consolidation of the Fitchburg, Vermont and Massachusetts, and Troy and Boston Railroads.

Be it enacted by the Senate and House of Representatives, in General Court assembled, and by the authority of the same, as follows:—

SECT. 1. The Fitchburg Railroad Company, the Vermont and Massachusetts Railroad Company, the Commonwealth of Massachusetts by virtue of its interest in the Troy and Greenfield Railroad and Hoosac Tunnel and Southern Vermont Railroad, and the Troy and Boston Railroad Company, or so many of the said railroads as may vote to do so, in connection with the Commonwealth, are hereby authorized to consolidate their several railroad interests and to form one railroad corporation in the manner following: The said railroad companies, or any two of them, at meetings duly called to consider the question of consolidation, may, by vote of a majority in interest of the stockholders present and voting at such meetings, at any time within four months from the passage of this act, agree to consolidate and unite the said companies with each other and with the Commonwealth, subject to the provisions of this act in the manner and upon terms to be fixed by three commissioners to be appointed by the Supreme Judicial Court, unless such manner and terms shall be mutually agreed upon by the said companies and by the Governor and Council as hereinafter provided; and the Governor and Council at any time within five months from the passage of this act may agree to consolidate and unite the said railroad interests of the Commonwealth with the said companies, or with any two of them that may have voted for such consolidation and union, upon the same terms; and such votes so passed by the Governor and Council and by the said railroad companies, shall be effectual to consolidate and unite into one corporation all of the said interests in respect to which such votes shall have been passed, subject, however, to the provisions of this act.

If within three months from the passing of such vote by the Governor and Council, the terms of such consolidation shall not have been mutually agreed upon by the companies voting for such consolidation and by the Governor and Council, then either of said companies or the Governor and Council may petition the Supreme Judicial Court for the appointment of three commissioners, to fix the terms of such consolidation, subject, however, to the provisions of this act; and upon such application and due notice the Court shall appoint such commissioners, the award of whom or a majority of whom being made to and confirmed by said Court, shall be final; and the Court shall enter such orders or decrees as may be found needful to carry such award into effect. Said consolidated corporation shall have all the powers and privileges, and be subject to all the duties and liabilities set forth in chapter sixty-three of the General Statutes, and in all general laws that now are or may hereafter be in force relating to railroad corporations.

Section 2 provides that in case the Fitchburg Company refuse to unite and consolidate, the consolidated companies shall be authorized to establish at tide water in Boston, before May 1st, 1877, a terminal depot for their accommodation, and may extend a road from some point on the Vermont and Massachusetts by some feasible route to Boston, subject to present and future General Statutes, provided that such extension be located within two years and constructed within four years from the day of consolidation.

Section 3 provides for the purchase of a road or a consolidation with another road within two years.

Section 4 provides that the Commonwealth shall complete the Tunnel and Troy and Greenfield road, as per existing contracts.

SECT. 5. The amount of the capital stock of the corporation hereby authorized, may be fixed by the companies voting for such consolidation, and by the Governor and Council, not, however, exceeding twenty-five millions of dollars, and such portion thereof as may be agreed upon may be set apart for the benefit of such consolidated corporation, and sold at auction as now provided by law, in case of an increase of the capital stock of railroad corporations; or bonds to such amount as may be agreed upon by said companies and by the Governor and Council may be issued by such consolidated corporation, and convertible into stock of said consolidated corporation at any time within ten years; and in case of the issue of bonds, the whole amount of capital stock and bonds shall not exceed twenty-five millions of dollars.

SECT. 6. There shall be a Board of Directors of the said consolidated corporation, who, until after the completion of the Hoosac Tunnel, and the election of Directors thereafter, as provided for in section nine, shall be appointed as follows: The Governor and Council shall appoint four, one of whom shall hold office for one year, one for two years, one for three years, and one for four years; and the times when said terms expire shall be in the month of January; and as often as a vacancy shall occur from expiration of a term of office, or other cause, the same may be filled by the General Court. And the Directors of each of the railroad companies which shall have voted for consolidation, shall annually appoint three members of their respective Boards of Directors to act as Directors of the consolidated corporation, during the term for which they have been chosen by said companies, and until their successors are chosen.

Section 7 provides for the assumption of the liabilities of the roads by the consolidated company and gives the power of alterations and improvements into the hands of the Directors.

Section 8 provides that the consolidation provided for shall not affect the running of trains or the conducting of business on the different roads till the completion of the Tunnel, the management to be agreed upon by the Commissioners.

Section 9 provides that after the completion of the tunnel and track through the same end of the road to North Adams the Board of Directors of the consolidated companies shall call a meeting of the stockholders in Boston, and they shall jointly chose their Directors as in all elections of Directors.

Section 10 provides that upon the election of Directors the consolidated corporation shall have, hold and possess and enjoy all the estate and interest of the Commonwealth in the Troy and Greenfield, Hoosac Tunnel and Southern Vermont, and all the rights, privileges, franchises, claims and demands of the other roads subject to all restrictions and shall enforce all suits of action to be commenced or prosecuted by or against the corporation as aforesaid. And the said existing railroad companies shall continue corporations for the purpose of prosecuting or defending any suit or proceeding at law or in equity, or otherwise, now pending, or which may hereafter be brought by or against either of them out of this Commonwealth.

Section 11 provides that each of the said existing railroad companies which shall have voted for consolidation shall also continue a separate corporation for the purpose of perfecting such union, and of doing all such acts and things as are herein provided for or contemplated to be done by them separately.

SECT. 12. In fixing the terms of the consolidation and union authorized by this act, whether the same is done by agreement or by a Board of Commissioners, the value of the several interests consolidated, and the amount of capital stock which shall be apportioned to represent each of said interests, shall be fixed with reference to the time when the election of Directors, as provided for in section nine, can first be had; and if such apportionment of stock cannot otherwise be conveniently and justly made, then a sum in money may be agreed upon or awarded to be paid out of the funds of said consolidated corporation to either of the original parties composing the same (and in such case the same may be distributed among the stockholders of the railroad company or companies receiving the same), or by either of said original parties to said consolidated corporation.

Section 13 provides that the name of the company shall be the Hoosac Tunnel Railroad Company.

Section 14 provides for the annual meeting, and that the number of Directors shall not be over thirteen, of whom four shall be appointed by the State.

SECT. 15. The said consolidated corporation is also authorized to purchase the railroad property and franchise of the Cheshire Railroad, at any time within two years from the passage of this act, and, in case of such purchase, to issue stock or bonds in payment therefor, and to increase the capital stock to the amount of such purchase; *provided, however*, that the consent of the Legislature of New Hampshire is first obtained to such purchase.

SECT. 16. The Vermont and Massachusetts Railroad Company is authorized to sell and convey that portion of its franchise and railroad from Miller's Falls to Brattleboro.

SECT. 17. The said consolidated corporation shall not receive from passengers or freight, to and from other connecting railroads, greater rates for passing through the Tunnel than in proportion to the extra costs of the Tunnel over and above ordinary railroad construction, and in case of any disagreement about such rates, the Governor and Council shall from time to time fix and revise the same.

A FEW QUESTIONS.

Mr Codman—Do you mean that there must be a consolidation? Mr Allen—No, sir; it is assumed that at least two of the roads will agree, and if they do agree they are subject to the decision of the Governor and Council. Mr Fairbanks—If the Vermont and Massachusetts were to refuse, might not the Troy and Boston and the Fitchburg unite under this bill, and still not be contiguous roads? Mr Allen—That would probably be taken care of by the Governor and Council. If there is any objection to that point, there is no objection to a change. Mr Barker—In the 5th section there is a provision that $5,000,000 of the capital stock shall be set aside for the benefit of the new corporation? Mr Allen—It means that we shall probably need it for additional equipment and other necessary expenses that will attend the operation of a through line. With regard to this proposition of directors, it is not to be taken as a show of the relative value of the State's property in this contract, but simply to give the fact that we want to treat the State liberally. Mr Barker—Is it intended to give the sinking fund of the State to that company? Mr Allen—No sir. I should not think the section would carry the sinking fund. Mr Fairbanks—How are the rates of fare to be regulated over this line. It will cost over a million a mile? Mr Allen—I suppose that will be allowed for in the regular tariff or fixed by the Commonwealth. Mr Chisholm—What is the necessity of this section about the Cheshire? Mr Allen—I don't know that it is necessary. It is a matter connected with the Vermont and Massachusetts, and I will leave it for them to explain.

REMARKS OF MR BATES.

Mr Bates, the associate counsel for the Vermont and Massachusetts Railroad, said: Before railroads were known as the best means of transportation of passengers and freight the importance of connecting Hudson river with the Atlantic Ocean was recognized, and there were surveys made for a canal which should meet this need. Three routes, and only three, were found that were considered practical, and there have never been but these three found practical for railroads. One of these is substantially occupied

by the Boston, Hartford and Erie by way of Hartford and Fishkill, N. Y.; the second is occupied by the Boston and Albany, running through Massachusetts to Albany, N. Y.; and the third is the one which is represented in this bill, going through Hoosac Mountain and connecting at Troy. Before anything definite was done, Stevenson's locomotive proved successful beyond the expectations of every one but himself, and railroads were made to take the place of water transportation. But these routes had been surveyed, and the question came up as to which of these routes should be used. It was thought that the one that went through Connecticut would benefit Connecticut more than it would Massachusetts, and it would take too long to tunnel the mountain. It resulted in the building of the Boston and Albany road, and it was built almost entirely by the State. For though it turns out that the State is not as large a stockholder as other parties still it will be found that not a shovel went into the ground until the State aid was first secured; and the State was really the party that built the road. But after that was started the other routes were not given up and a start was made towards Hartford and Fishkill. In the same manner the Fitchburg started the other way towards Hoosac Tunnel, and these roads have from time to time been carried along with the idea of carrying out the original plan of a through road to the West. Since then, through the energy and enterprise and money almost entirely of Boston men, another road has been established, little of it in Massachusetts, and that is the road that goes to Ogdensburg. Now the Tunnel is nearly completed and the State has substantially aided all these three enterprises—the Tunnel road to the amount of about $12,000,000—and it has all been done with the idea of a through line to the West for the benefit of the State of Massachusetts and to make the State hold its own in comparison with the other States in the Union. Now, it has always been the idea that these four roads should always be kept separate, and no idea was ever brought out to do anything differently till within a year. We want them to be competing roads for if they were put under one management where would be the advantage of competition, nothing could be done cheaper than before. We ask, therefore, that this be made an independent through line. A map was then produced showing the position of the road, and the possible relation of the Cheshire to the Vermont and Massachusetts. The simplifications which were to be made at several places were to be pointed out, and the distances given. By this road, the distance from Boston to Troy will be 190 miles; but as the line will be changed somewhat, to extend to Saratoga and Oswego, to Johnsonville, which is comparatively on a line with Troy, the distance will be 174 miles. The distance from Boston to Albany is 201 miles. Mr Bates said he did not suppose it would be necessary to make any argument in favor of consolidation. The consolidation of the Boston and Albany had been of such benefit he thought it would warrant another experiment. The consolidation of two competing roads was of course out of the question.

The hearing was then adjourned till this morning at half-past 10, when Mr Bates will introduce evidence.

HOUSE.

The House met at two o'clock.
Senate papers were acted upon in concurrence.

PETITIONS.

A petition was presented in aid of the petition for the consolidation of the Fitchburg, Vermont and Massachusetts, and tunnel roads. The petition was signed by the following citizens of Boston:

George C. Richardson & Co.,
E. O. Rockwood,
J. L. Thayer,
Lawrence & Co.,
Bancroft & Boyden,
E. R. Mudge, Sawyer & Co.,
Charles E. Elliott & Co.,
Beard, Moulton & Co.,
Talbot, Wilmarth & Co.,
Morse, Shepard & Co.,
S. A. Stetson & Co.,
Gowing & Grew,
T. C. Pazolt, Sr.,
Whitten, Burdett & Young,
Nathan Neat,
F. F. Wheelock & Co.,
George R. Taber,
D. M Hodgdon & Co.,
J eland, Wheelock & Co.,
Hardy, Mayhew & Co.,
O. B. North & Son,
Green Bros. & Co.,
Eager, Bartlett & Co.,
Haughton, Perkins, Woods & Co.,
P. T. Jackson.
Dexter, Abbott & Co.,
Farley, Amsden & Co.
Harding, Colby & Co.,
Cutter, Hyde & Co.,
White, Brown & Co.,
Wellington Bros. & Co.,
Henry S. Shaw,
Dyer, Taylor & Rice,
Upham, Tucker & Co.,
Blake & Stearns,
Anderson, Heath & Co.,
Mason, Tucker & Co.,
Leland, Allen & Bates,
Haley, Morse & Co.,
Leland, Rice & Co.,
Rhodes, Ripley & Co.,
Rothwell, Luther, Marston & Foote
Evans, Webster & Co.,
A. D. Peck & Co.,
Charles Burrill,
John H. Pray, Sons & Co.,
Horswell, Kinsley & French,
John Earle & Co.,
A. Ziegler,
Robert Newman,
J. Farwell, Jr., & Co.,
Fernald & Co.,
Champney, Bros. & Co.,
George Thompson & Co.,
Oriental Tea Company,
Frost Brothers & Co.,
George W. Chipman & Co.,
Hermann & Lautenback.,
B. F. Campbell & Co.,
Levi Chubbuck,
Charles B. Lancaster,
Faucett, Hawkes & Co,.
Charles N. Torry,
Jackson, Mandell & Daniel,
Hill & Brown,
Johnson, Clark & Co.,
William Brown,
Goldthwait, Snow & Knight,
Ruggles & Aldrich,
Lyman J. Clark,
William A. Rust,
A. H. Seaver,
Daman, Thomas & Lewis,
E. E. Stiles,
Geo. B. Boice,
Chas. B. Johnston.
Benj. Field & Co.,
J, B. Lord,
A. J Foster & Co.,
G. Q. F. Bolton.
Faxon, Elmer & Co.,
D. E. Ranney,
Griffin & Brother
Peasley & Bond,
Shedwell & Hyde,
Crocker & Brewster,
Clement Gould,
George F. Parker,
Whitman, Whitcomb & Co.,
Arthur K. Brown,
Fogg, Houghton & Coolidge,
D. Lothrop & Co.,
New England News Co.,
Easter & Winship,
Lambert Brothers,
Zenas Bangs,
Putney & Corson,
Mann & Brackett,
M. P. Elliott,
Rogers, Covey & Co.,
Lemuel Holton,
Lewis Coleman & Co.,
Jordan, Marsh & Co.,
C. F. Hovey & Co.,
Hogg, Brown & Taylor,
Mann, Bowers & Sawyer,
Dale, Bros. & Co.,
J. W. Clark & Co.,
Edward W. Pear & Co.,
Hunt, Twitchell & Co.,
Bridgham, Jones & Co.,
Stephenson & Co.,
Curtis & Cobb,
Royce, Wilkins & Co.,
Fowle, Torrey & Co.,
Brown, Durrell & Co.,
Mason & Hamlin Organ Co.
J. A. Hatch & Co.,
Emerson Leland & Co.,
George S. Winslow & Co.,
Lewis, Brown & Co.,
Hodgkins & Barnard.
John B. Babcock & Co.,
Morse, Hammond & Co.,
Brainard, Davey & Co.,
Floyd, Bros. & Co.,
Hart, Taylor & Co.,
M. Lowry & Co.,
George P. Baldwin.
Whittemore, Cabot & Co.,
John G. Tappen & Co.,
Henry W. Richardson,
James L. Little & Co.,
Charles R. Atwell,
Ordway, Blodgett & Co.,
T. C. Wales & Co.,
Bartlett, Snadkins & Miller,
Hawley, Folsom & Masters.
Wright, Bros. & Co,
G. C. Hudson & Co.
Henry Smith.

☞ RAILWAY COMMITTEE HEARINGS.

The Joint Standing Committee on Railways will give public hearings to all parties interested upon the measures referred to as follows:

WEDNESDAY, January 29, at 11 o'clock A. M., hearings will be given upon the following matters:

First—Upon that portion of the Governor's Address relating to the consolidation of the Fitchburg and Vermont and Massachusetts Railroads and the other railroads leading from Boston to Troy by way of the Hoosac Tunnel, and the rights of intersecting and connecting roads.

Second—Upon the petition of the Vermont and Massachusetts Railroad Co. for a consolidation of the Hoosac Tunnel line of Railroads from Boston to Troy. tja29 ja22

John Foster.
E. & A. H. Batchelder & Co.
May & Co.
Haven & Wright.
C. M. Clapp & Co.
Sears & Warner.
National Rubber Co.
Clapp & Billings.
Burrage Brothers & Co.
David Parker & Co.
Reed & Closson.
Suter, Johnson & Morey.
Chase & Co.
Heckett Bros. & Co.
Pelton, Snell & Co.
Charles H. Ward.
Billings, Clapp & Co.
Edwin H. Furber & Co.
A. L. Cutter & Co.
Henry A. Ball.
Mount Washington Glass Co.
Z. Einstien. Bros. & Co.
Nicholson & Frost.
J. P. Rogers & Co.
Coon, Crocker & Hobart.
S. B. Stone & Co.
Martin & Skinner.
J. B. Kimball & Co.
A. H. Adams.
Daniel W. Lawrence.
John D. Wicher & Co.
A. P. Conant & Co.
Cowing & Hatch.
Jenkins, Lane & Son.
Cole, Wood & Co.
Gilman, Pope & Co.
Field, Thayer & Whitcomb.
Wm. Underwood & Co.
J. F. Dane, Grinnell & Co.
Daniel D. Broadhead.
James Tucker.
Macomber, Bigelow & Dowse.
Holbrook, Hobart & Porter,
Allen & Woodworth.
E. C. Bailey.
George T. Hall & Co.
Lyman Dilke & Co.
J. C. Lindsley & Co.
E. R. Swazey & Co.
Capen, Sprague & Co.
Loring, Searle & Co.
Lothrop & Co.
McConnell, Gardner & Co.
S. K. Gilman, Jr.
Adams, Taylor & Co.
D. J. Goss & Co.
Taylor M. Rundlet.
Poor, Town & Co.
Thomas C. Hutchinson.
Samuel P. Adams.
Brown & Hayes,
Solomon Carter.
A. C. Mason.
George F. Field.
F. L. Brown & Co.
Carter, Rice & Co.
Briggs, Shattuck & Co.
G. W. Davis.
Cushing, Porter & Cades.
Wilder & Co.
C. & G. Hollis.
Peter C. Jones & Son.
Isaac M. Cater.
Cutter, Tower & Co,
Hussey, Wells & Co.
J. H. Lowe,
Chas. W. Abbott.
John Townsend.
Wadsworth, Howland & Co.
Edward A. White.
Hobbs, Pope & Co.
R. Gardner, Chase & Co.
H. M. Johnson.
J. P. Perry & Co.
Israel Nash & Co.
Hollis & Gunn.
D. Harwood & Co.
Robert Jassely.
Stedman, Cline & Co.
King & Adams.
Henry Poor & Son.
Howe Bros. & Co.
Denny, Poor & Co.
Barnes, Ward & Co.
Wells W. Ayer.
Haley, Reed & Co.
C. B. Botsford.
O. L. Gillett.
Edward R. Kimball.
Spear & Co.
W. F. Lawrence.
Edward Henshaw.
H. M. McPherson.
W. H. Rennant & Co.
P. R. Richardson.
Charles Woodbury & Son.
Theodore Grant.
J. H. A. Tappan & Co.
A. J. Woodbury.
Charles C. Southard.
Joel McCombu,
D. S. Brown & Co.
A. Belcher.
G. W. Higgins & Co.
Charles A. Atkinson,
Fowle & Bennett,
William L. Lathrop.
Leroy S. Slade.
Carter Brothers & Co.
James H. Page.
J. P. Jordan.
Newhall & Thacher.
Suffolk Glass Co.
Boston Can Co.
J. L. Chapin.
Dexter Brothers.
I. S. Tucker.
Arthur G. Tompkins.
Rufus Estabrook.
Thomas H. Gray.
I. H. Young.
Ohara & Bullard.
H. & J. Pfaff.
John Mixer & Sons.
William R. Paine
May, Nash & Winslow.
A. S. Woodworth & Co.
George W. Pettis & Co.
Thomas Hall & Co.
Baker & Burgess.
Horace Loring.
Stephen Paine & Co.
Edward A. Jones,
C. L. Bartlett & Co.
F. E. Clement.
Stratton & Moors.
John P. Whiton.
Cole & Robbins.
E. McElroy.
Aaron D. Weld Sons.
Thomas Bancroft.
Herbert M. Warren.
William F. Freeman & Co.
Allen Lincoln.
Beach & Copeland.
Alpheus Hardy & Co.
A. E. Thompson & Co,
Rideout & Roberts.
K. H. Waters & Co.
Charles B. Darling & Son.
Timothy Gay & Co.
Clark & Co.
Jacob Hall.
Flint & Henderson,
M. Crocker & Co.
Green & Sweat,
Bragdon, Tavener & Co.
Daniel Curry.
C. B. Folsom & Co.
Smith & Gibbs.
E. P. & C. E. Smith.
Chapman & Soden.
Eaton, Harrington & Dana.
Downer Kerosene Oil Co.
Homer, Bishop & Co.
Union Glass Co.
Frye, Phipps & Co.
S. James Dennis & Co.
True W. Townsend.
Mitchell, Wendell & Co.
J. Henry Blanchard.
A. R. Mitchell.
Linder & Meyer.
Canterbury & Co.
Sanderson, Brothers & Co.
Farrar, Pierce & Canterbury.
W. Blanchard.
J. Mortimer Goldsmith.
Small, Wetherell & Co.
C. A. Cheney.
George H. Bush & Co.
Chase, Merritt & Blanchard.
Loudon, Tower & Co.
John A. B. Cutter.
A. G. Hill.
Edward Chamberlin & Co.
Boylston & Co.
Aborn, Fay & Co.
C. O. Whitmore & Sons.
Train & Co.
Union Sugar Refinery.
Boston Bottle Works.
J. S. Robinson.
Vandusen Brothers & Co.
Wm. H. McLellan,
Charles Balson, Jr.
W. H. Chessman.
Francis Howe.
Joseph B. Norris,
J. I. Baker.
Samuel S. Pollard & Co.
B. A. Campbell.
Henry L. B. Wills.
L. Putnam Willard.
E. C. Bigelow.
Paul M. Swain.
Reed & Bowen.
Foster, Swazey & Co.
P. S. & J. B. Huckins.
Benjamin Howard Sons.
John W. Kimball.
Joseph F. Dean & Co.
Dana Brothers.
Wm. A. Carlton & Co.
Thomas Dana & Co.
D. W. Lee.
M. R. Pollard.
Jenkins & Co.
Sherman & Co.
Moseley, Wheelwright & Co.
J. O. Whiting & Co.
Fred W. Coe.
A. P. Penniman.
W. H. Lock & J. N. Chapman.
B. O. & G. C. Wilson.
Cram, Wait & Co.
Whitney, Cushing & Co.
Sims & Farley.
Charles Wells Cook.
Chase, Shute & Co.

FRIDAY, Jan. 31, at 11 A. M., on the petition of the Boston & Albany Railroad Company for an extension of time in which to complete their Union Passenger Depot in the City of Worcester. t31 jan25

TUESDAY, Feb. 11, at 11 A. M., on the petition of the Boston & Lowell Railroad Corporation, for an amendment to the charter of the Great Northern Railroad.

jan25 tf11 E. P. CARPENTER, Chairman.

COMMITTEE HEARINGS.

THE HOOSAC TUNNEL LINES OF RAILROADS.

The hearing on the subject of a consolidated through road from Troy to Boston was continued this morning in the green room. Mr. Samuel Bates gave the committee an explanation of a map showing the situation of the several intended roads. Mr. Allen then read a list of the acts chartering these roads, with extracts from legislative doings and from messages of several governors, in support of his argument on the petition which he made yesterday.

The Hon. Daniel S. Richardson, president of the Vermont and Massachusetts Railroad, said the road was chartered twenty-five years ago, with a capital of over three millions furnished by private individuals, and from that time down to the present it had never paid to the stockholders in any dividend more than two per cent. It had thus been of more expense to a few persons than the great State enterprise, the tunnel, had been to the State. But while it had been so expensive, it was of great accommodation to people on its line and to the general public. The road had increased largely in local value since 1862, the net receipts being almost doubled. The objects of the managers, for a long time, had been to make the road as useful as they could, not expecting much return till the contemplated line through the tunnel should be open to the public. The road now had a paid-in capital stock of $2,860,000. He did not, of course, propose to go through the history of the tunnel, but there were a few leading facts which he would state. When the enterprise was first started it was opposed by many enemies. The Western road particularly opposed it, believing it would be ruinous to their interests and to the interests of Massachusetts. The subject was given to the senate and most thoroughly investigated, the friends of the tunnel having one day and the friends of the Western road having the next. During this time every word and every legislative document that spoke of the tunnel line, spoke of it as a through western line. The roads now asked a consolidation in pursuance of the historic plan which had always been intended by the State and roads interested. The interest of the State was as great as any in the matter. It had been proved in other cases that four companies could not successfully run a continuous line of 200 miles of railway. These roads must then all be contracted with separately by persons doing business with them. In the case of the Western road and Boston and Worcester, the legislature decided that they must consolidate for the general benefit of the public. The speaker thought he was bound to the community, to the State and to the other roads on the tunnel line to give up his property to the consolidation. There was no other way to carry out their good faith with each other. If any New York road were to offer millions untold for this line they could not buy it. The whole line would be under the control of the executive of Massachusetts. Should the State refuse the consolidation, the Vermont and Massachusetts roads could reach Boston by several other routes. They believed, however, that the State would grant their prayer, and submitted the case to the best judgment of the committee. He hoped at least that the tunnel would never be used as a toll gate, but be left as free as any other road. Mr. Richardson thought his road would continue to increase in business whether the consolidation was had or not.

Mr. Goodrich asked whether the profits of the consolidation were not in a great measure conjectural.

Mr. Richardson thought a commission of three railroad men could decide with great accuracy.

Mr. Goodrich—Do you think it unreasonable for the Fitchburg road to ask a guarantee of their $4,000,000 stock and present 8 per cent. dividends, should they enter the consolidation?

Mr. Richardson—Well, yes, I think it would. They should go in on the same conditions as other roads. I think such a plan would be for their interest. They should not mind a smaller dividend which might occur for one or two years, in consideration of the great trade which would come over the line for all time thereafter.

Mr. Shattuck of the Massachusetts Central—Do you know the comparative distance between the tunnel and Boston over your line and over the Massachusetts Central?

Mr. Richardson—I do not.

Mr. S.—Do you think it would be fair to give the Tunnel to the Vermont and Massachusetts and connecting roads, after the State have spent $13,000,000 upon it, to the exclusion of the smaller roads, who must make whatever contract they have to make with the Tunnel line if they desire to go through the tunnel?

Mr. Richardson—Yes. I consider that this is the policy adopted by the Commonwealth since the tunnel was projected. The value of the tunnel does not consist in its cost, but in its value to the line of railroad to run through it.

Mr. S.—What is the reason why the towns on the line of the Massachusetts Central, who look to the West for their provisions, should not have the same right to go through the tunnel as the Fitchburg and the Vermont and Massachusetts?

Mr. Richardson—We do not wish to deprive the Massachusetts Central of any rights whatever.

Mr. S.—Should not the tunnel be managed as a bridge, through which all roads may go as over a bridge, which several roads here united to build?

Mr. Richardson—I have had no experience in the matter of such bridges and cannot tell. All I can say is that our directors think it would be bad policy for the Commonwealth to have several heads to this line, which could be better managed by one.

Mr. S.—Do you consider it would be fair to place the control of the tunnel in the hands of one line to give it an advantage over a competing road? Should not the tunnel be in the hands of disinterested parties?

Mr. Richardson—When the Commonwealth have decided that we should pay a share of the cost of the tunnel, other roads should do as much. I am willing to follow out the policy adopted all along by the State.

Judge Thomas, for the petitioners—We expect that the act we offer will be modified in all respects for the interest of the State as the committee decides.

Mr. Shattuck—If the legislature sees fit to con-

Of the traffic over N.Y. Central RR 75 per cent left it road at Albany & found its way to Mass: The statement made by a Director is that there go over N Bost. & Alb. RR (via N.Y. Central) 124,432

Over Hudson River road 79,819

N.Y. people, it is said, can learn how they are losing by this. Such a diversion of trade is said to be "very striking"

Jan 1872 & Jan 1873

B & A. freight	B & A stock	H R R R people	H R R R stock	Total
103,244	21,288	60,140	16,679	204,351

A letter from N.Y. Central says in 1872, 53 per ct of entire E. freight shipped over N.Y. Central went to B & A; 24 per ct. to N.Y. 23 per ct to Mt Albany & afterwards reshipped by N.Y. & Bost. "Taking out the third east freight shipped to Albany & Bost. R.R. & Rel shipped to N.Y. the percentage of this is 37 per ct to N.Y. & 63 per ct to Bost. or about one-third to two-third." N.Y. Express

Suppose the Fitchburg & Vermt agree to the K. Mass scheme of consolidation, what would prevent a union between the Consolidated Co & the Lowell? &c. or at sometime thereafter? Jan 31. 1873.

BOARD OF TRADE.

The Vienna Exposition—Modification of the Bankrupt Law—The Hoosac Tunnel.

A special meeting of the Board of Trade was held pursuant to notice, at the rooms of the Board in Chauncy street, yesterday afternoon, the President, Mr. Joseph S. Ropes, occupying the chair. A very large attendance was present.

HOOSAC TUNNEL AND CONSOLIDATION.

Mr. E. B. Bigelow spoke as follows:

The subject which is to engage the attention of the board today is one of deep interest, not only on account of the bearing which the Hoosac Tunnel Railroad line is likely to have on the future prosperity of Boston, but more especially on account of the combinations formed and being formed with a view of controlling the business of that line. No one at all familiar with the influence which railroad corporations exert at the present day can observe what has been done and what is promised to be done at the State House, without serious apprehension that the Legislature may be led to some action in the premises whereby the real interests of the State may be compromised. It is the duty of the board to take a stand in regard to the matter, which, while doing justice to all parties, shall aim to uphold the integrity and interests of the Commonwealth. I have prepared, and now desire to offer, some brief resolutions, presencing a basis on which I think the board may securely stand and the Legislature safely act:

Resolved, That it is not expedient for the Legislature to authorize the consolidation of the Boston and Lowell and Fitchburg Railroad corporations.

Resolved, That it is against sound public policy for the State to own and operate railroads, and that however desirable it may be to consolidate the several roads leading from Boston through the Hoosac Tunnel to the State line, it should be the work of private and not State enterprise.

Resolved, That it is expedient for the Legislature to grant all the corporate powers necessary to effect a consolidation of the several railroads constituting the tunnel line just referred to, and to aid a consolidation company by all safe and constitutional means.

Resolved, That in case the proposed consolidation company should be unable to purchase it, the Hoosac Tunnel should remain the property of the State under the following regulations, namely: 1. All railroad companies now formed or which may be hereafter formed, desiring to use the tunnel, shall have a right to do so on equal terms; 2. The tariff of charges which may be established for the use of the tunnel shall never be increased, but may be reduced at the pleasure of the State.

A spirited and able debate took place, in which Messrs. Arthur Pickering, George E. Towne, Edward Atkinson and George Stark participated.

On motion of Mr. John W. Candler, it was voted that the discussion be continued at an adjourned meeting to be held on Monday next.

solidate these roads, they are not compelled to give up the control of the tunnel to the line any more than of a bridge built at the expense of a State.

Mr. Daniel Robinson, vice-president of the Troy and Boston Railroad, said the subject of a railroad from Boston to Troy was first brought to his notice in 1847, when several thousand dollars were raised to pay the expenses of a survey. In 1849 a subscription of half a million was raised, and twenty-seven miles of the road were built. He was surprised to see the Fitchburg road opposing the subject now, on the ground that it would not pay. The speaker's road had as good reason to oppose the consolidation as they had. But they had always built their road in first-class style, with the end in view of receiving the business of the tunnel. He gave a history of the whole building and running of his road, all tending to the time when the consolidation should be made. Mr. Robinson had intended coming to Boston to urge consolidation, but had received a joint despatch from the presidents of the Fitchburg and Vermont and Massachusetts roads, saying they did not wish to see him. But he came, nevertheless, and after a talk with Mr. Richardson they had got up a bill together. He had refused $1,500,000 for twenty miles of his road recently, feeling bound not to sell, as he was expecting the tunnel business. More than half of the freight of the New York Central now comes into the eastern States, and that road often proved incapable of taking all of the freight which came to them, so that it was diverted to the Erie.

At this point the hearing was adjourned to Tuesday next.

THE PUBLIC STRAIN—

WHAT WOULD LINCOLN have said to this in the days of rail-splitting, flatboat navigation, and other small things?

It is stated that the number of steamboats registered to navigate western waters exclusively amounts to 1017, with a measurement of 272,798 tons. These vessels which navigate the Mississippi and its branches are allotted to the following States: Ohio 203 vessels, measuring 52,069 tons; Missouri 167 vessels, measuring 72,466 tons; Illinois 155 vessels, measuring 19,232 tons; West Virginia 79 vessels, measuring 10,668 tons; Minnesota 62 vessels, measuring 10,789 tons; Kentucky 54 vessels, measuring 15,556 tons; Indiana 49 vessels, measuring 8223 tons; Wisconsin 44 vessels, measuring 14,789 tons; Iowa vessels, measuring 3147 tons, and Nebraska 2 vessels, measuring 717 tons.

COMMITTEE HEARINGS.

THE HOOSAC TUNNEL CONSOLIDATION.

The third hearing on the proposed consolidation of the Hoosac tunnel line of railroads, on the petition of the Vermont and Massachusetts Railroad, was given in the green-room before the committee on railways.

Mr. S. W. Bates first called Mr. Edward Appleton, who for the past thirty years has been a civil engineer, who gave condensed statistical evidence relating to the business and gradients of some of the railroads. The report of the Boston and Albany Railroad for 1872, he said, showed that over a million and a half tons of freight had been brought from other States, and 243,792 tons carried to other States. Of this was 260,266 tons of coal not counted in as western business, leaving as the probable business between New England and the West 1,529,997 tons. The average rate of freight to and from other roads is given at 1 54-100 cents per ton per mile. At this low rate, the above business to and from the West paid the Boston and Albany Railroad $23,561 95 per mile, as far as it was all carried, and it appears that nearly one-half of it, 43 per cent., was carried the whole length of the road. The total expense of operating the road averaged $1 41 per train mile. Dividing this by 220 tons, the average weight of freight transported to a train, the cost per ton per mile is six mills and four-tenths, leaving nine mills as a net profit per train per mile, which on the amount of western business carried amounted to $13,769 98 per mile as far as it was all carried. The increase in through tonnage in five years is 197 per cent. Mr. Appleton gave some information as to the grades of the two lines of railroad. He said that as three-quarters of the business to and from the West comes eastward, the ruling grades of the traffic are those ascending eastward. On the Albany road, from Albany to Pittsfield, the ruling grade is 45 feet per mile; on the line from Troy to North Adams 39 6-10. The same engine would probably take 30 tons gross weight more in a train from Troy to North Adams than it could from Albany to Pittsfield. From Pittsfield to Springfield the ruling grade is 75½ feet per mile; from North Adams to Greenfield 40. Here the same engine which could take the average train on the Albany road (373 tons freight and cars) could take 262 tons more from North Adams to Greenfield. From Springfield to Worcester the ruling grade is 60 feet per mile; from Greenfield to Fitchburg 48. On these corresponding sections the same engine can take 90 tons more on the northern line. For the remaining distance from Worcester or Fitchburg to Boston there is practically little difference, the grade descending for most of the distance. What little difference there is would be about 15 tons in favor of the Albany line. The difference on the whole line is evidently much in favor of the northern line. The Fitchburg Railroad showed an increase of business in the ten years last past 137 and seventy-four one-hundredths per cent.; the Vermont and Massachusetts, 157 eighty-eight one-hundredths per cent.; the Troy and Boston, 72 seventy-seven one-hundredths per cent. Between 1860 and 1870, the freight tonnage over the New York Central and Hudson River Railroad increased 157 eighty-two one-hundredths per cent., and over the Erie Railroad, 183 thirty one-hundredths per cent. With regard to the tonnage of rail and water-lines through New York in 1871, Mr. Appleton said the total canal tonnage was 6,467,866 tons; of the Erie Railway, 4,844,208; New York Central and Hudson River Railroad, 4,532,056; Rome, Watertown and Ogdensburg, 309,906; Ogdensburg and Lake Champlain, 352,280; total, 16,506,316; deduct half for way business, leaves for through business, 8,253,158; half of this for New England, 4,126,579. Take the same proportion for the canals, the New York Central and the Rome, Watertown and Ogdensburg railroads, we should have business to and from New England and coming to the Hudson River, of 2,827,457 tons, of which the Boston and Albany Railroad took 1,529,997 tons, or about 54 per cent. With regard to the distances, Mr. Appleton said that thirty-two miles would be saved by the connecting northern lines. Sixteen miles will be saved on the Michigan Central by the new line between Jackson and Niles, both to the Suspension Bridge and Lewiston lines, Sixteen miles more may be saved to the Lewiston line by extending from St. Catherines to the new line from Buffalo to Glencoe. About twelve miles more may be saved by building about fifteen miles from Fulton on the Midland Railroad directly west to join the Lake Ontario Shore Railroad, instead of going into Oswego and out again.

At the conclusion of Mr. Appleton's testimony Mr. Bates said he proposed to rest his case there, with the exception of Mr. Robinson's testimony and some documentary evidence which he would afterwards put in.

Ex-Governor Claflin then came forward and said he was in attendance with Mr. W. B. Spooner for the purpose of giving some views in a general way in reference to the consolidation of the lines. As the board of trade would have a special meeting on the subject next Monday, he thought a delegation from that organization would like to present some views on the matter at the same time.

In answer to an inquiry by the chairman of the committee, whether there were any parties who desired to oppose the petition, Mr. E. H. Derby said he appeared for the Fitchburg Company to make some suggestions, not against consolidation, but that it might be accomplished on a more comprehensive basis. Mr. John H. George, who appeared for the Lowell corporation, said he would not oppose the consolidation, but he would probably have some suggestions to make that the Boston and Lowell corporation should have some of the benefits arising from the tunnel route. Mr. Miles was present for a road from the tunnel to Albany, in opposition to the present bill. Mr. George O. Shattuck opposed any arrangement which would give the exclusive right of the tunnel to any line, in behalf of the Massachusetts Central Railroad. Some further discussion took place between the counsel and the committee, and then it was decided to allow Mr. Comstock, having come from New York on purpose to submit his statements, to occupy the time of the committee for the next hour, the other gentlemen who expected to have been heard having expressed their willingness to suit his convenience.

Mr. Calvert W. Comstock, the president of the Boston, Rome and Oswego Railroad Company, said that a large portion of the citizens of the State of New York feel a very deep interest in the general subject upon which the committee was then deliberating. In attending the hearings before this committee last week, looking on from outside the State, it seemed to him that the people of Massachusetts, after long and patient effort in behalf of this great enterprise—the Hoosac tunnel—were about to find the tunnel completed before they knew what to do with it, and that question seemed to be the burden of your deliberations. He then proceeded to give a mass of statistics, of which the following is a summary:—

The total amount of tonnage ot the New York canals, the New York Central Railroad and Erie Railroad for the eighteen years, was as follows: For 1853, 5,238,892; for 1854, 5,458,915; for 1855, 5,534,738; for 1856, 5,835,409; for 1857, 5,160,918; for 1858, 5,247,553; for 1859, 5,485,076; for 1860, 6,817,951; for 1861, 6,928,355; for 1862, 8,619,173; for 1863, 8,822,382; for 1864, 8,580,577; for 1865, 8,239,303; for 1866, 10,620,209; for 1867, 10,840,797; for 1868, 12,197,067; for 1869, 12,453,174; for 1870, 15,148,274; for 1871, 15,844,152. From these figures we learn that although there have been some fluctuations—occasionally a year falling off from the preceding year, especially in the canal tonnage—yet comparing 1853 with 1871 there was an increase of the aggregate canal and railroad tonnage of 10,605,260 tons—equal to over 202 per cent. for the eighteen years, and equal to an average increase of about 11 per cent. per annum. If we compare 1861 with 1871, we find the annual increase for the last ten years over 12 per cent. But when we look at the railroad tonnage embraced in the above table, separately, we see illustrated the tendency of the age in matters of transportation. The tonnage of the two roads named rose from 991,039 tons in 1853, to 9,376,264 tons in 1871—being an increase of 846 per cent. in the 18 years—equal to an average annual increase of about 45 per cent. Comparing 1861 with 1871, the increase of tonnage for the last ten years, on the two roads, has been about 28 per cent. per annum.

INCREASE OF TONNAGE OF BOSTON AND ALBANY RAILROAD SINCE CONSOLIDATION.

Tonnage in 1868	1,319,059
" 1869	2,613,940
" 1870 (ten months)	1,531,149
" 1871	2,209,332
" 1672	2,732,907

The above figures show the increase of tonnage since consolidation to have averaged about 1000 tons a day each year over the immediately preceding year, and that the increase of 1872 over 1871 **was almost 1500 tons a day. The company's report, just published, states that the tonnage of 1872 compared with that of 1867 (the year before consolidation), shows an increase of 172 per cent. during the five years. The report states such a surprising increase in the grain trade—and of the increasing commerce of Boston in that line—that I prefer to present the language of the report, as follows:—**

Prior to the date of consolidation, no separate account of the grain business to Boston was kept. In comparing, however, the amount of that business in 1868, the first year after consolidation, with that of last year, we find that while in the former year we carried 794,930 bushels to Boston, in 1872 we brought 6,915,895 bushels—an increase of 6,120,965 bushels, or about 770 per cent. in four years.

The population of the several towns along the route of the Boston, Rome and Oswego from Johnsonville, on the Troy and Boston Railroad, and terminating at North Bay, on the New York and Oswego Midland Railroad, was submitted, and is as follows: In Rensselaer county, 7220; in Saratoga county, 13,918; in Fulton county, 23,146; in Herkimer county, 6983; in Oneida county, 20,956—total, 71,863. Total of towns on line of Midland Railroad, from North Bay to Oswego, 42,359—grand total, 114,222.

Starting at Johnsonville on the Troy and Boston road, the distances to Rome and Oswego via Troy and the New York Central, or via Boston, Rome and Oswego Railroad, compare as follows: Johnsonville to Troy, 17 miles; Troy to Rome via New York Central, 114 miles—total, 131 miles; Johnsonville to Rome via Boston, Rome and Oswego Railroad, 113, saving via Boston, Rome and Oswego to Rome, 18 miles; Johnsonville to Rome via Troy and New York Central, 131; Rome to Oswego via New York Central and Syracuse, 74—total, 205 miles; Johnsonville to Rome via Boston, Rome and Oswego, 113; Rome to North Bay via Boston, Rome and Oswego, 141½; North Bay to Oswego via Midland, 47; total, 174½ miles; saving via Boston, Rome and Oswego to Oswego, 30½ miles. The distances from Boston to Rome and Oswego, via Boston and Albany and New York Central, compare with those via Hoosac tunnel and Boston, Rome and Oswego road, as follows: Boston to Albany, 201; Albany to Rome, 109; total, 310. Boston to Johnsonville, 174; Johnsonville to Rome, via Boston, Rome and Oswego, 113; total, 287; saving to Rome, via tunnel and Boston, Rome and Oswego, 23 miles. Boston to Albany, 201: Albany to Syracuse, 143; Syracuse to Oswego, 35; total, 384 miles. Boston to Rome, via tunnel as above, 287; Rome to Oswego, via North Bay, 61½; total, 348½; saving to Oswego, via tunnel and Boston, Rome and Oswego, 35½ miles. The foregoing figures show that the saving of distance from Boston to Lake Ontario or the West, by the tunnel route, is mostly on the Boston, Rome and Oswego line from Johnsonville via Rome to North Bay. The saving of the tunnel line via Troy is only five miles over the Boston and Albany line to a common point (Schenectady) on the New York Central. By the construction of the Rome line Boston is brought almost as near Lake Ontario and the commerce of the West as New York. Boston to Oswego, 348½ miles; New York to Oswego, via Albany and Syracuse, 326; difference in favor of New York, 22½ miles. And Boston is 200 miles on the way from New York to Europe.

The Ontario Lake Shore Railroad from Oswego to the Niagara River at Lewiston is now in process of construction. Fifty-five miles are already finished and the residue is under contract and will be completed during the present year. The distance from Oswego to Lewiston is 144 miles. The distance from Boston to the Niagara River at Suspension Bridge by the way of Boston and Albany and New York Central roads is: Boston to Albany, 201 miles; Albany to Suspension Bridge, 304 miles—505 miles. Distance by the way of Hoosac Tunnel and B. R. and O., from Boston to Oswego, 348½ miles; Oswego to Lewiston, by the way of Ontario L. S. R. R., 144 miles—492½ miles. Deduct saving by a cut-off from Fulton to Hannibal, 15 miles, 477½, saving from Boston to Niagara River, in favor of Tunnel and Rome route, 27½ miles. Mr. Joy, president of the Michigan Central Railroad, states that the distance from Lewiston to Chicago is to be shortened down—by improvements now in progress and contemplated—to 447 miles. When this is done Chicago by the Tunnel line will be brought within 924 miles of Boston. Oswego is the principal lake port and harbor on Lake Ontario. It has ten grain elevators of an aggregate storage capacity of over two millions of bushels. Some seventy vessels engaged in the lake trade, of a tonnage of about 15,000 tons, are owned there. Its gram receipts are about 15,000,000 bushels per annum, and its lumber receipts about 300,000,000 feet per annum. Oswego has a magnificent water-power extending from the city ten miles up the Oswego River. Her flouring mills and those of Fulton, further up the river, have a capacity of manufacturing over 8000 barrels of flour a day, and she produces more flour per annum than any other place in the country except St. Louis.

Mr. Comstock supplemented his document with a few remarks in which he said the proprietors of the road he represented "believe it is a valuable adjunct—a valuable supplement to the line which you contemplate to consolidate. The question is, can it be built? Now, how does that matter stand? We don't claim any more strength than we have, but I want to say that with simply our local aid we shall not be strong enough to build the road. We can furnish part of the money—probably we can raise enough to grade it, and could probably subscribe $1,500,000 to the stock. After the road is established, probably the local business would support it; but it is not a local road that we want to make. It was for a through line that we made our plans, and in order to complete it as such we shall need your aid. So far as the State of New York is concerned, all the necessary legislation has been provided in order to enable us to coöperate with you. But in examining the bill here the other day—I speak now from my own convictions—it seemed to me that if Massachusetts wants to reach across the State of New York and control the commerce of Lake Ontario and the business of the West, you should put a clause into this bill which will enable this great consolidated line to aid in some way the construction of a line through New York, or to obtain in some way that important connection for the benefit of the State or its commerce. It only needs your action to make the necessary legislation complete."

The hearing was then adjourned till this morning at half-past ten o'clock.

Wednesday, Feb 7

The railway committee gave a continued hearing in the forenoon upon the proposed consolidation of the Fitchburg, Troy and Boston, Troy and Greenfield, Vermont and Massachusetts, and Tunnel roads. Mr. Robinson of the Troy and Boston road appeared again before the committee and explained his views in regard to the difficulties which would arise in the practical use of the tunnel, unless all the roads leading through it should be placed under one consolidated control. He spoke of the enormous amount of tonnage now being pressed upon the roads of New York for eastward transportation, and remarked that if the tunnel route was properly consolidated with the roads proposed, such an increase in business would spring up as to compel very much greater facilities for handling freight west of Troy. He instanced the working of the Union road, built and first operated by four roads, of which his road, the Troy and Boston, was one, and stated that it had been a constant source of trouble until its control was placed in the sole power of the Troy and Boston. The same difficulties would arise if several roads were allowed equal rights to the road through the tunnel, no matter what provision might be taken in the fixing of the rules to govern all alike. Mr. Robinson then made a statement to the committee of the finances of his company, and explained at some length the apparent inconsistencies between the reports returned to the State and the actual facts. The committee then heard Mr. Mills, president of a road yet to be built, and to be known as the Williamstown and Hancock road, which will, if completed, connect the western terminus of the tunnel with a point opposite to Albany. Mr. Mills seemed to object to the consolidation upon the general principle that corporations have no souls, and that, should a corporation be formed as proposed, with the State as a corporator, his road, should it be built, would not stand as fair a chance in its through business as if the State should retain exclusive control of the tunnel and levy a pro rata tax upon all through traffic. He thought that the State would serve its bests interests by making the tunnel almost a free route as the increase in the business would more than compensate for the loss of the interest upon the cost of the tunnel. Mr. Edward Crane then appeared and requested the committee to fix a time when a party of thirty gentlemen, who are largely interested in the railroads of Northern New York, might be heard in regard to a plan they wished to submit by which Massachusetts would be able to control a through line to the West. The committee subsequently signified their willingness to listen to these gentlemen at half-past three, Thursday. Mr. E. H. Derby was then heard as a director in and representative of the Fitchburg railroad, and it appeared during his remarks that he was also a director in the proposed Boston, Rome and Oswego road. He began by saying that he or the company represented by him did not oppose consolidation, but they did oppose the proposed form of consolidation as one too narrow and insufficient to accomplish the desired end. Mr. Derby spoke of his acquaintance with the history of the tunnel and of his early and long advocacy of it as the one desirable route to the West. He denied that the State or any of the roads were in any way hampered by any agreement whatever and that there was nothing to prevent any of the parties from forming such consolidations as were for their best interests. He did not favor a union of roads which would include the Troy and Boston road for many reasons, one of which was the fact that the bill proposed would give that road the same privileges with the road he represented, although the financial standing of the two roads was totally different. The most desirable objective point for a consolidation to reach was Oswego, where ample facilities in the way of terminal facilities could be had and connections made with strong direct lines to the West, and not only would there be gained a continuous line, but one independent as well. A saving of from three to four hundred thousand dollars can be made annually in the expenses of the Fitchburg and Boston and Lowell roads by consolidation, and besides this the terminal facilities of the two roads seem to supplement each other, one having ample deep water and elevator facilities, while the other has wharf and other facilities of the best character. The policy pursued in England and on the continent, has of late years tended to consolidation, and experience has proved that, with hardly an exception, long and large lines can be operated to the better advantage of owners and the public when in the control of one corporation.

The consolidation of these roads with such others, and in such a manner as he would set forth, would enable the tunnel route to be operated immediately on its completion in so heavy a manner as to enable the State to derive an ample income upon its investment by a nominal tariff upon the traffic through the tunnel. The plan he should advocate would enable the State to retain the absolute control of the tunnel, and this, he desired to say, agreed with his own idea as he thought the property safer in the control of the State than otherwise. The company operating the tunnel should be obliged to do the business through it at a very slight advance upon the tax paid by it to the State and the rate charged should be subject to the control of the State. The hearing of the remainder of Mr. Derby's proposition was deferred till Thursday, at half-past ten o'clock.

Thursday, Feb 6.

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COMMITTEE HEARINGS.

THE HOOSAC TUNNEL RAILROAD CONSOLIDATION.

Mr. Derby closed his argument in behalf of the Fitchburg Railroad by putting in a quantity of documentary evidence, and extending the number of his points to over thirty. He contended that, in order to make the new western line succeed, a double track of steel rails would be required through its entire length, which would cost in Massachusetts alone $4,000,000. A double track already existed to Fitchburg, but the remaining roads were not able to complete a double track without assistance. Cars to the number of 4200, with a proportionate number of engines, would be needed, as well as elevators, docks, etc., to afford facilities for sending freight to Europe. This would entail an expense of about $13,000,000. Some corporations more powerful than those now proposed in the consolidation would be required to set this ball in motion. The Troy and Boston road and the Vermont and Massachusetts road were not free from debt, and even joining them with the Fitchburg, which had $7,000,000 clear capital, there would still be a lack of means. A larger consolidation was needed, embracing, if necessary, the western lines, which were the feeders of the eastern routes. Ships, foreign or domestic, would not come to Boston without suitable docks, elevators and warehouses for their convenience, and these should be furnished immediately, in order to secure prompt results. Capital was wanted, which three weak companies could not furnish. American produce was wanted in Europe, where the demand was constantly and rapidly increasing. With enhanced wages, the artisans of the Old World were growing consumers of meat in lieu of bread and cheese, which had hitherto been their sole sustenance. He believed the freight business would increase by a million tons a year, and he hoped the State would open the tunnel at twenty-five cents toll, with the view of gradually decreasing the rate with the advance of business. The tunnel was too important to be relinquished to weak corporations controlled by New York parties. He preferred that the line should be confided to two strong Massachusetts companies who could hire the Vermont and Massachusetts Railroad and equip it with a double track and a sufficiency of rolling-stock, thus joining the State in running it to the tunnel. Massachusetts' local interests would thus be preserved, and the object of the tunnel as a benefit to the Commonwealth at the same time gained. Overtures for the purchase of the Vermont and Massachusetts by the Fitchburg, Mr. Derby said, had been declined on the basis proposed of $4,000,000, a statement which Mr. Bates disputed. One of the defects of the present bill, Mr. Derby said, lay in the neglect to provide for an alternative in case the Troy and Boston and Vermont and Massachusetts companies could not agree upon terms with the Fitchburg Railroad and the governor and council for consolidation. The double track would not be laid, the docks and elevators would not be provided, unless by private capital, and the matter would remain *in statu quo*. The people could not afford to await the delay that would thus be caused. To secure this great improvement, an immediate dividend must be assured in order to raise money on State street. The docks required to carry out the grand scheme were already under way and were being constructed with the view to their completion when the tunnel was finished. With the through line ready for operation as soon as the mountain gateway was open, would insure an immediate return from all investments. Above all things, Mr. Derby desired that the tunnel should not be placed in a position to be mortgaged, and thus endangered as Massachusetts property, which he claimed would be the result of putting it into the possession of a consolidation in New York interests, through the connection of the Troy and Boston Railroad with parties in that State. The bill provided for a consolidation, allowing the Vermont and Massachusetts Railroad three directors, the Troy & Boston three, the Fitchburg three, and the State, if it concluded to enter the union, four. The Fitchburg would be thus put at the mercy of the weaker roads. The terminus of the line was not at the tunnel nor at the State line; it was destined for Chicago via the Northwestern, through Canada, and the Michigan Central, and eventually to the Pacific. Why should Philadelphia and New York have a line to the Pacific and Boston be without one? If the plan Mr. Derby represented was begun in strength the end would be great and for the best interests of Boston and Massachusetts. He had made over thirty points in his argument and declared them his articles of faith.

Some discussion here took place among the counsel. Mr. Thomas asked Mr. Derby if his project included the union of the Fitchburg with the connecting roads or with the Lowell road. Mr. Derby replied that he should present his full scheme next Tuesday as per assignment. It might become necessary to take in a Middlesex railroad, and perhaps all of them. Mr. George, for the Boston and Lowell, said, on Tuesday next, at the hearing assigned for that day, he would state what his road wanted to do. There was no road in the State of only twenty-six miles in length that had succeeded as well as the one he represented. Few had as good terminal facilities or better management. He hoped Judge Thomas would possess his soul in patience until the day he had named. Mr. George O. Shattuck, for the Massachusetts Central Railroad, was not prepared to submit a definite detailed plan for the use of the tunnel, in the face of the other schemes that were not fully developed before the committee. But he trusted that the tunnel would not go out of the hands of the Commonwealth until he had an opportunity to present details of what his client proposed to do. He assumed that the tunnel would, on completion, have cost $14,000,000 or $15,000,000. The annual saving on the cost of grain by the tunnel route was estimated at ten per cent. He did not believe there was any difficulty in the State's keeping the tunnel, and argued that the roads asking for the tunnel would be stronger without being saddled with its burdens. He would have the tunnel left for a highway, open to all. What our merchants wanted was to have one road responsible for the transportation of their freight from Boston to the Hudson River, and if this could be secured and still keep the tunnel in the hands of the State, all would be satisfied. Mr. Shattuck thought it was disregarding the plainest dictates of common sense to give out the job of estimating the value of the tunnel to commissioners before a car had passed through it. He believed the legislature neither could nor would be a party to any such scheme.

The hearing was shortly after closed for the morning.

The hearing was continued in the afternoon. The Hon. Thomas L. Wakefield appeared in behalf of the New York parties interested in the matter representing the Atlantic and Ontario, the Booneville and Port Ontario and the Boston and Henderson Harbor roads, neither of which have yet been constructed, but on which the companies have expended $20,000 to $30,000 in making accurate surveys of the route.

Mr. Edward Appleton, the consulting engineer of the roads, stated that some three hundred miles of road had been surveyed. First was the Atlantic and Ontario Railroad Company, from the terminus of the Troy and Boston road to Saulsbury Centre in Herkimer county, a distance of 78¾ miles, and he estimated the cost at $2,000,000 for a single track of steel rails or an addition of $1,000,000 for a double track. The second road was the Boston and Henderson Harbor, from Saulsbury Centre to Henderson Harbor by way of Booneville, a distance of 108 miles, which would cost about $2,500,000 for a single track; the third route was from Booneville to Port Ontario, a distance of 48 miles, at a cost for a single track of $1,500,000; the fourth route was by the Rome and Oswego, making 187¼ miles of road to construct at a cost of $5,100,000 for single track and $8,550,000 for double track. The distance from Boston to Lake Ontario would be 361⅔ miles.

Mr. West, president of the Atlantic and Ontario road, considered this the direct route from the tunnel to Chicago by way of the lake, and that it would afford superior advantages to Troy by giving it more than one outlet to the West. Their idea was to leave the road to the consolidated line from Massachusetts.

Mr. Wright, vice-president of the Boston and Henderson Harbor road, explained the practicability of his road and gave some statistics of the population and business of the towns it intersected. Henderson Harbor was one of the largest and best on the great lakes and it was eight or ten miles from Sacketi's Harbor. If this route was opened a large portion of the agricultural products of that section which now go to New York would come to Boston, Mass.

Mr. Gorley, president of the Boonville and Port Ontario road, testified to the general feasibility of that route as a part of a grand trunk line. The commercial interest of the people on the line naturally tends to Boston, and they look to this new route as the outlet.

Mr. Ives, one of the corporators of the Atlantic and Ontario, said the route would be very desirable for the lumbermen on the route.

Mr. Wait of Johnstown, the eastern terminus of the Atlantic and Ontario road, stated some facts relative to the agricultural and manufactured products which would flow to Boston over the proposed line, instead of going to New York. There were a number of large tanneries in that section, two of them owned by Governor Claflin. The highest grade on the whole road was about forty feet to the mile and the route was one of easy construction. Johnstown was four miles from the New York Central road and the distance from Saulsbury to the New York Central road was some fifteen miles, and the average distance between the two roads would be ten or twelve miles. Mr. Wakefield here rested the case on behalf of the New York parties, and at half-past five o'clock the committee adjourned until Tuesday next at half-past ten o'clock.

Thursday, Feb 6.

RAILWAYS.

The hearing by the railway committee upon the question of the consolidation of the Fitchburg, Troy and Boston, Troy and Greenfield, Vermont and Massachusetts, and tunnel roads, Mr. E. H. Derby continued his argument against the proposed consolidation, speaking on behalf of the Fitchburg road. It was inadvertently stated in the report of this gentleman's remarks on Wednesday that he was a director in the Fitchburg railroad. Mr. Derby handed in to the committee a table showing how a distance of 128 miles was saved between Boston and Chicago by the route via the proposed Boston, Rome and Oswego road. He then stated that to be successfully operated the roads connecting with the tunnel should be built of double tracks and of steel rails, and to accomplish this an expenditure of $4,000,000 would be necessary. There would also be needed over four thousand cars, and from fifty to one hundred engines. With these expenses must be considered the cost of the necessary line through New York State, without which the consolidation would be a dependent and not an independent line, and this road will add another $4,000,000 of outlay. Elevators and docks are also essential at the terminus, and another million will not more than cover their cost, so that about $13,000,000 will be required to put the proposed consolidation in a way to do its business for the interest of its stockholders and the public. Mr. Derby then presented to the committee his views of the difficulties which railroads limited in capital and hampered by debt would have in raising the large amount required to carry out the objects of the consolidation. He stated that the Troy and Boston had a debt larger than its original cost and that the capital of the Vermont and Massachusetts road was entirely inadequate to its share in the proposed scheme. With this statement he proceeded to remark upon the great benefit which would accrue if these two weak roads could be associated with the Fitchburg road with its seven to eight millions of property. A larger consolidation, which would include roads having a joint capital of fourteen or fifteen millions would enable the completion of the objects of the consolidation promptly upon the opening of the tunnel. With the income from the elevator business and from all other sources, the consolidated roads would continue dividend-paying roads, and maintain in this way so high a financial standing as to enable them to carry out their projected improvements at the smallest possible expense. Mr. Derby expressed his entire faith in the ultimate financial success of the tunnel, and said that while the rate of toll charged on the Albany bridge would at present pay five per cent. on the cost of the tunnel, it was his opinion that the increase in the amount of tonnage passing through it would in a few years enable a reduction in the rate to a merely nominal amount. He then argued that it was not safe for the State to entrust so large an interest in the tunnel to foreign corporations, and said that the stock of the Troy and Boston and Vermont and Massachusetts roads was largely controlled by New York parties. If the control, under the State, of the tunnel were given to two strong companies, the Vermont and Massachusetts road might be leased to that corporation to its advantage if its stockholders. The State is fortunate in having offered to it such terminal facilities as are controlled by the Fitchburg and Boston and Lowell roads. If the tunnel is incorporated in the proposed consolidation, and it becomes necessary for a debt to be created for the development of any of the companies so consolidating, then the tunnel becomes indirectly subject to a mortgage which may be bought and sold by speculators, and the admission of thus easily weak roads would have this effect.

One of the defects of the bill is the allowance of directors to the several interests to be consolidated. Under the provisions of the bill, three directors are given to the Troy and Boston road, three to the Troy and Greenfield, three to the Fitchburg, and four to the Commonwealth. By this, the first two roads with a joint capital of less than two and one-half millions, have twice the controlling interest that the Fitchburg road is allowed with a capital of nearly three times the joint capital of the other two. Mr. Derby closed with a glowing description of the possibilities open to a consolidated road capable of taking every advantage of the facilities opened by the completion of the tunnel. After the close of Mr. Derby's remarks, quite a little stir was occasioned by Judge Thomas requesting Mr. Derby to state just what the Fitchburg and Boston and Lowell roads proposed for a consolidation, to which the reply was given that full particulars of the plan proposed by these roads would be presented upon the day assigned for the hearing of their petition, Tuesday next. Col. George announced on behalf of the Lowell road, that the plan would be presented on Tuesday, which would meet the desires of that road. Col. George requested that the committee would visit the terminal grounds of the Lowell and Fitchburg roads previous to Tuesday, so as to be able to judge better of the plan proposed. Mr. Geo. O. Shattuck, on behalf of the Massachusetts railroad, opposed any arrangement for the lease of the tunnel for the present, and refrained from making any proposition with reference to his road until he should have heard the plan of the Fitchburg and Lowell roads. Mr. Richardson explained some statements made by him on Wednesday, which were not quite understood by some of those present, and the committee then adjourned till afternoon.

In the afternoon the committee gave a hearing to New York parties in regard to proposed connections with the Hoosac tunnel road. Maps of the State of New York were exhibited showing that a line of chartered railroad extended northwesterly, from Johnsonville to Lake Ontario, there being two corporations. Johnsonville is at a point sixteen miles northeast of Troy. This road from Johnsonville to the lake is not yet built, but if the assurance could be had of connection with the Hoosac tunnel route, the stock would be readily taken up and the two corporations would be willing to lease their property to Massachusetts parties. These corporations are the Atlantic and Ontario, extending to Fort Ontario on Lake Ontario, and the Boston and Henderson Harbor, extending to Henderson harbor on the same lake. Over part of the distance between Johnsonville and the lake it is designed that both corporations shall use the same track. This track or common use is to extend from Johnsonville northwesterly 119 miles to Booneville. At Booneville two tracks diverge. One stretches somewhat northerly to Henderson, the other more westerly to Fort Ontario. Between Booneville and the lake these corporations may be regarded rivals, but between Booneville and Johnsonville their interests are joint. Besides these another route is contemplated, diverging at Salisbury, 41 miles this side of Booneville, and extending westerly to Oswego, which is also on the lake. Thomas L. Wakefield, Esq., stated the case to the committee, and called seven or eight witnesses resident in the section of New York referred to. The testimony of the witnesses severally went to show the facts above stated; also that the route was feasible in respect to grades, etc.; that careful estimates of the cost of construction had been made; that the region traversed was for most part a cultivated and productive farming country, yielding largely of butter, cheese and hay; that there was some manufacturing at certain points; that extensive tanneries existed and that lumber regions would be made accessible by connecting roads. The excellence of the two harbors on the lake and especially of Port Henderson, which was declared to be the best harbor on the lakes, was shown.

The Canadian Pacific Railway to the Atlantic ocean acquires 6 leagues of land on each side of its route, and 20 miles square at each end. The great Northern Railway of Canada is rapidly approaching completion.

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The Hoosac Tunnel Consolidation.

The hearing on the subject of a consolidation of railroads into a through road from Boston to Troy, was continued on Thursday in the green room. Samuel W. Bates, Esq., gave the committee a further explanation of a map showing the different roads. Mr. Allen then read a list of the acts chartering these roads, with messages of the Governors, in support of his argument for the petition on hand, made on Wednesday.

Hon. Daniel S. Richardson, President of the Vermont and Massachusetts, said his road was chartered twenty-five years ago with a capital of several millions, on which a dividend of over 2 per cent. had never been received. The road had been a loss to private individuals, while being of great value to people on its line. It had increased in local value largely since 1862, the receipts going up more than double in that time. For some time it has been evident that something must be done for this road on the completion of the Tunnel. The road has a capital paid in stock of $2,600,000.

The directors of the road desired Mr. Richardson to express their position to the committee. They saw no other course than to work for the consolidation of the whole line. The history of the Tunnel did not need to be repeated at length, but there were leading facts which seemed to be worth mentioning. When the enterprise was first started it met with great opposition. The Western road believed it would be destructive to their interests, and consequently to the interests of the State, which the Western road had built up. From the time the Tunnel road was given up to the State its fortunes began to progress, where before they had been waning. He recalled the history of the Tunnel from that time, and said his road assisted the project with every means in their power. Every word in every legislative document, the speaker said, that spoke of the Tunnel line of railway, spoke of it as a through Western line. He quoted from the proceedings of the Governors and Legislatures who had dealt with the matter to prove this to be the case.

The roads now asked a consolidation in pursuance of the plan which had always been intended by the State and the roads interested. The interest of the State was as great as any in the matter. It had been proved in other cases that four companies could not successfully run a continuous line of 200 miles of railway. These roads must then all be contracted with separately by persons doing business with them. In the case of the Western road and Boston and Worcester, the Legislature decided that they must consolidate for the general benefit of the public. If the Worcester road had refused, the Albany tracks would have been laid through to Boston on a line of their own.

The speaker thought he was bound to the community, to the State and to the other roads on the Tunnel line to give up his property to the consolidation. There was no other way to carry out their good faith with each other. If any New York road were to own millions untold for this line, they could not buy it. The whole line would be under the control of the Executive of Massachusetts. Should the State refuse the consolidation, the Vermont and Massachusetts roads could reach Boston by several other routes. They believed, however, that the State would grant their prayer, and submitted the case to the best judgment of the Committee. He hoped, at least, that the Tunnel would never be used as a toll gate, but be left as free as any other road. Mr. Richardson thought his road would continue to increase in business whether the consolidation was had or not.

Mr. Goodrich asked whether the profits by the consolidation were not conjectural, and if the terms on which the Fitchburg road were to enter could be decided justly with a knowledge of the profits to ensue.

Mr. Richardson replied that he thought a commission of three good men could decide the conditions fairly, and quoted the prosperity of the Boston and Albany road, to show the vastness of the Western trade, part of which the new line through the Tunnel would divert. He understood that the Fitchburg road had no objection to entering the consolidation, provided suitable terms could be made.

Mr. Goodrich—"Do you think it unreasonable for the Fitchburg road to ask a guarantee of their $4,000,000 of stock and present 8 per cent. dividenus, should they enter the consolidation?"

Mr. Richardson—"Well, yes, I think it would. They should go in on the same conditions as other roads. I think such a plan would be for their intarest. They should not mind a smaller dividend which might occur for one or two years, in consideration of the great trade which would come over the line for all time thereafter."

Mr. Shattuck of the Massachusetts Central—"Do you know the comparative distance between the Tunnel and Boston over your line and over the Massachusetts Central?"

Mr. Richardson—"I do not."

Mr. S.—"Dou you think it would be fair to give the Tunnel to the Vermont and Massachusetts and connecting roads, after the State have spent $13,000,000 upon it, to the exclusion of the smaller roads, who must make whatever contract they have to make with the Tunnel line if they desire to go through the Tunnel?"

Mr. Richardson—"Yes. I consider that this is the policy adopted by the Commonwealth since the Tunnel was projected. The value of the Tunnel does not consist in its cost, but in its value to the line of railroad to run through it."

Mr. S.—"What is the reason why the towns on the line of the Massachusetts Central, who look to the West for their provisions, should not have the same right to go through the Tunnel as the Fitchburg and the Vermont and Massachusetts?"

Mr. Richardson—"We do not wish to deprive the Massachusetts Central of any rights whatever."

Mr. S.—"Should not the Tunnel be managed as a bridge, through which all roads may go as over a bridge, which several roads here united to build?"

Mr. Richardson—"I have had no experience in the matter of such bridges, and cannot tell. All I can say is that our Directors think it would be bad policy for the Commonwealth to have several heads to this line, which could be better managed by one."

Mr. S.—"Do you consider it would be fair to place the control of the Tunnel in the hands of one line to give it an advantage over a competing road? Should not the Tunnel be in the hands of disinterested parties?"

Mr. Richardson—"When the Commonwealth have decided that we should pay a share of the cost of the tunnel, other roads should do as much. I am willing to follow out the policy adopted all along by the State."

Judge Thomas, for the Petitioners—"We expect that the act we offer will be modified in all respects for the interest of the State as the Committee decides."

Mr. Shattuck—"If the Legislature sees fit to consolidate these roads, they are not compelled to give up the control of the Tunnel to the line any more than of a bridge built at the expense of a State."

Mr. Richardson thought the present terminal facilities the line would have in Boston would prove insufficient in a few years, on account of the great trade of the road. The importance of Boston as a port would be favorably affected by the consolidated line.

Mr. Daniel Robinson, Vice-President of the Troy and Boston Railroad, said the subject of a railroad from Boston to Troy, was first brought to his notice in 1847, when several thousand dollars were raised to pay the expenses of a survey. In 1849 a subscription of half a million was raised, and twenty-seven miles of our road was built. An agreement made July 1, 1857, showed that the idea of a consolidation existed even then. He was surprised to see the Fitchburg road opposing the subject now, on the ground that it would not pay. The speaker's road had as good reason to oppose the consolidation as they had. But they had always built their road in first-class style, with the end in view of receiving the business of the Tunnel. He gave a history of the whole building and running of his road, all tending to the time when the consolidation should be made. He was surprised that the Fitchburg road opposed consolidation. If that road refused to join the others, he would have the three remaining roads consolidate. Mr. Robinson had intended coming to Boston to urge consolidation, but had received a joint dispatch from the Presidents of the Fitchburg and Vermont and Massachusetts roads, saying they did not wish to see him. But he came, nevertheless, and after a talk with Mr. Richardson they had got up a bill together. He had refused $1,500,000 for twenty miles of his road, recently, feeling bound not to sell, as he was expecting the Tunnel business. More than half of the freight of the New York Central now comes into the Eastern States, and that road often proved incapable of taking all of the freight which came to them, so that it was diverted to the Erie.

At this point the hearing was adjourned to Tuesday next at 10½ A. M.

March 19, 1873

A petition was today presented, signed by E. & A. Mudge & Company and 220 other business firms of Boston, in aid of the consolidation of the Fitchburg, Vermont and Massachusetts and Troy and Greenfield railroad companies, to be known as the Hoosac Tunnel Railroad Company. It was referred to the committee on railways. The signatures appended are as follows:—

E. & A. Mudge & Co.
M. H. Merriam,
M. C. Dizer & Co.
E. D. Eldridge,
Newton, Hartt & Co.
Sabin & Page,
Geo. L. Brown,
Bunt & Russell,
M. A. Noyes.
R. W. Emerson & Co.
A. L. White & Co.
E. H. Goss,
C. C. Farwell,
Alfred Fellows,
Hutchinson, Littlefield & Hoag,
John Linscott,
Blake & Alden,
Weeks, Dupee & Soren,
Henshell, Burt & Tarr,
Roberts, Sayward & Co.
E. S. Goulstov,
James L. Mills & Sons.
Mills Bros.
Henry Clay,
Bosworth Bros.
S. G. Cheever,
George H. Cheever,
J. S. Wheeler,
J. P. Wheeler, jr.
T. D. Demond & Co.
Langdon & Burleigh,
John Moriarty,
C. H. Hubbard,
S. G. Bowdlear & Co.
Benjamin F. Gifford,
Alden & Edmands,
S. A. Endicott & Co.
Jos. W. Green,
Benjamin Woodward,
Joshua Dean,
George F. Brown,
George T. Sears.
Lincoln & Hopkinson,
Beaman Brothers,
A. B. Perry & Co.
G. W. & J. B. Hagan,
T. W. Hoxie & Co.
H. C. Knapp,
Wilbur & Walton,
Edward G. Nickerson,
B. S. Pray & Co.
Boston Dyewood & Chemical Co.
Joseph C. Stevens,
J. T. Baxter,
George D. Shattuck,
Manning & Sears,
B. F. Nourse,
Rice & Davis,
Gill & Lootz.
Henry D. Warren & Co.
D. M. Walker.
Nathan. F. Goldsmith & Co.
Bradshaw & Patch,
Crocker & Brothers,
George W. Lawrence,
F. C. Howe,
C. Simmons,
J. & A. Tirrell & Co.
Gorham, Rogers & Co.
B. R. Smith & Co.
Fisher & Chapin,
Wyman & Potter,
Dupee, Noyes & Co.
Ayer & Farwell,
Dorr, Parks & Co.
Wright & Whitcomb,
Henry Mayo & Co.
E. B. Hull & Co.
N. O. Blaney,
May, Bolster & Co.
Howes, Scudder & Crocker,
N. R. Coffin & Co,
Cochran Bros. & Co.
J. L. & H. C. Rodgers,
Thos. W. Emerson & Co.
Abbot & Cushing,
Gayle & Co.
Utley & Boynton,
Tower & Joy,
Swan, Earle & Co.
Kimball & Bates.
O. Ryder & Co.
C. Poole, jr.
Maynard & Sons,
F. M. Holmes,
C. H. Cummings & Co.
S. N. Dickerman & Co.
E. D. Johnson.
H. Chadbourne & Co.
Jno. J. Newcomb,
L. B. Pratt & Co.
F. I. Howe & Co.
R. Bearse & Co.
T. Baker,
D. P. Worthens,
T. B. Jones,
Albert Ellis,
Bliss Brothers,
J. H. Dunbar & Co.
A. H. Alden,
West, Parkman & Son.
M. C. Warren & Co.
Johonnot & Saunders,
Gardner Gove,
Webster Tileston,
James A. Monroe,
W. H. Hervey & Co.
Gray & Ball,
John B. Souther,
Woodman & Grover,
Hooper, Lewis & Co.
C. & W. A. Waters,
Cotton & Haley,
Henry Haskings & Co.
Aaron R. Gay & Co.
George W. Learnard & Son,
Cheney & Co.
Thomas E. Bixby & Co.
Lane & Co.
Myron L. Cotton,
Read, Alden & Williams.
N. P. Mann & Co.
Hawkins & Reed,
Parker, Burgess & Co.
G. P. Upham & Co.
Phillips & Upham,
Caldwell & Sawyer,
Thomas B. Vose,
Batchelder, Mann & Co.
William D. Smith & Co.
C. Hyson,
Boyd, Leeds & Co.
Nathaniel M. George.
Page, Harding & Co.
Hills, Tucker & Harmon,
Morey & Co.
Winslow & Myrick,
Merrill Brothers,
Stackpole, Perkins & Co.
Henry Raeder & Co.
Robert W. Morse,
C. F. Sanger,
James Patten & Co.
Albert Thompson & Co.
Moore, Ayer & Co.
Harding, Grey & Dewey,
Henry J. Hosmer,
H. & L. Chase,
George B. Drake & Co.
George F. Moore & Co.
Stephen Tilton & Co.
John E. Cassidy.
Edward D. Peters & Co.
C. O. Holyoke,
H. P. Bryant,
G. Cann,
D. T. Miller & Co,
W. R. Webb,
Mason G. Parker & Co.
S. M. Fuller,
E. Williams & Co.
John J. Hicks,
Thomas C. Bray,
George C. Howlett,
John M. Carter,
Daniel McDavitt,
Richard Baker, jr.
Baldwin, Farnum & Shapleigh,
Williams & Ramseyer,
Page, Kidder & Co.
Gould, Rice & Co.
Wilder & Estabrook,
J. E. F. Eustis,
Knight & McIntire,
Gerrish, French & Co.
Richardson & Co.
Charles W. Felt,
Whiton Bros. & Co.
Wm. B. Craft,
Pulsifer & Payson,
Seth E. Pecker & Co.
Nazro & Co.
Morse Bros. & Co.
Blake & Page,
Stewart, Noyes & Co.
Jones, Williams & Faxon,
R. S. Young.
H. Barker & Co.
Mayo & Tyler,
J. A. Smith,
Farwell & Reed,
F. D. Wheeler,
G. W. Clifford,
Matthias Rich & Co.
H. W. Vinal,
M. Field, Fowler & Co.
C. F. Austin & Co.
Lincoln & Beal,
Henry N. Stone,
Crafts & Co.
Benjamin Chandler,
George D. Upham,
Lambert & Hitchcock,
P. McIntire & Co.
Tisdale, Wilde & Co.
Hallowell & Colwell,
A. O. Corbett.

A petition was presented, signed by Leeds, Robinson & Co., and 312 other firms and merchants of Boston in aid of the consolidation of the Fitchburg, Vermont & Massachusetts, Troy & Greenfield, and Troy & Boston Railroad Companies, to be known as the Hoosac Tunnel Railroad Company. The petition was signed by the following:

Leeds, Robinson & Co.,
Farrer, Follett & Co.,
William Jessop,
G. E. Richards,
Richard & Co.,
Dover Stamping Co.,
Hamblen & Mathews,
H. K. Leesberger,
Franklin Upton & Co.,
Pratt & Wentworth,
F. B. Austin & Co.,
Torsleff, Hinckley & Hammond,
E. B. Vannevar & Co.,
Blodgett & White,
Wild & French,
W. W. & C. H. Tuttle,
Perley D. Moore & Co.,
Rogers & Sheldon,
Roach, Bradbury & Co.,
E. Cummings & Co.,
J. A. & W. S. Lord,
B. F. Brown & Co.,
J. Squires,
F. Clapp & Sons,
S. B. Stebbins,
Lombard & Co.,
Loring & Wales Brothers,
Joyce & Richardson,
John Lodge,
Bacon Brown,
J. F. Merrow,
North, Merriam & Co.,
Decoster, Plumer & Co.,
A. Sawtell & Co.,
Pool Brothers,
Oscar F. Howe,
Parker & Corey,
Eaton, Sawyer & Co.,
C. L. Cutler & Co.,
W. F. Robinson & Co.,
John P. Squire & Co.,
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Stowe, Bills & Whitney,
John L. Webster,
R. H. Stearns & Co.,
E. B. Pratt & Co.,
Marsh Brothers,
Dighton Furnace Co.
E. A. Stevens,
Boston Chair Co.,
Parker, White & Co.,
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High, Foster & Co.,
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Lauber Crane,
McCann & Burns,
Ladd Brothers,
S. O. Pollard & Co.,
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Watson, Smith & Co.,
J. H. Adden & Co.,
Fisher & Fairbanks,
A. & O. W. Mead & Co.,
Putnam, Wiggin & Upton,
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Read, Jones & Co.,
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Henry E. Fuller,
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P. & N. Copeland & Co.,
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J. H. Clapp & Co.,
Wheelwright, Anderson & Co.,
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Joy, Langdon & Co.,
John J. Soren,
Jeremy Drake,
Richardson, Bird & Co.,
Crosby, Morse & Foss,
Kendall, Barrows & Co.,
Seth T. Dame & Co.,
Hallet, Davis & Co.,
John J. Stevens,
Bigelow, Kennard & Co.,
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Bliss & Perkins,
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H. B. & W. O. Chamberlain,
J. Henry Bean & Co.,
George B. Davis & Co.,
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J. Lovejoy & Sons,
R. Hollings & Co.,
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Moore, Pickering & Co.,
White, Smith & Perry,
Currier, Trott & Co.,
Dale & Richards,
West, Call, Whittemore & Co.
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George E. Stedman & Co.,
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Parsons & Torrey,
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L. Hollingsworth,
B. H. Thayer & Co.,
Freeland, Hardy & Loomis,
Taylor, Thomas & Co.,
Lake, Cushing & Daniels,
Sidney Squires & Co.,
Smith, Richardson & Corson,
Jordan, Clark & Co.,
Childs, Crosby & Lane,
J. M. Longstreet,
Smith, Doolittle & Smith,
S. S. Pierce,
Parker, Wilder & Co.,
Saml H. Walley,
Jas. H. Beal,
Gregory & Robinson,
Dame, Ilsley & Co.,
Wm. T. Gale & Co.,
Williams & Everett,
John A. Hughes & Co.,
Cook & Aldrich,
Estes & Lamait,
Thaxter & Bro.,
Charles A. Smith & Co.,
Beach & Fairbanks,
H. D. Parker & Co.,
A. Williams & Co.,
M. C. Hood & Co.,
G. A. & M. R. Hardy,
Jno. F. Dodge,
George Clark,
Homer & Wyeth,
Howard Slade,
Royal Bosworth,
Edward Hamlin,
Wiswall & Co.,
Owen, Bearse & Co.,
Thomas Orrall & Co.,
Cate & Nickerson,
C. W. Titcomb,
Austin C. Wellington & Co.,
W. E. Brown & Co.,
G. K. Butler & Bro.,
Cragin, Page & Co.,
James O. Safford & Co.,
Manning & Bro.,
W. & R. Rice,
Frederick Holton,
Horan, Conn & Co.
George P. Banchor,
W. S. Richardson,
E. T. Holbrook & Co.,
George Packer,
Clement, Colburn & Co.,
Rogers & Co.,
Perry, Coon & Tower,
Clark, Adams & Clark,
Rousmaniere & Rimball,
Sargent Brothers,
Fisk, Tomlinson & Co.

Another petition was also presented in aid of the consolidation, signed by Alpheus Harding and 648 citizens of Athol. Both were referred to the Railroad Committee.

BOSTON DAILY ADVERTISER.

WEDNESDAY MORNING, FEB. 12, 1873.

COMMITTEE HEARINGS.

THE HOOSAC TUNNEL RAILROAD CONSOLIDATION.

Mr. John H. George occupied the attention of the railway committee in presenting the plans of the Boston and Lowell Railroad for a consolidation with the Fitchburg and the other railroads in the northern and tunnel lines. Previous to Mr. George's argument, however, Mr. Charles F. Parker appeared before the committee and said he represented the State, by request of the attorney-general. Mr. Charles F. Adams, jr., on behalf of the railroad commissioners, submitted an amendment to any act that might be proposed in relation to the tunnel roads, providing for their purchase by the Commonwealth on six months' notice, should it conclude so to do, the price to be settled by three commissioners appointed by the supreme court, whose award, at not less than par value, should be made within one year, the stockholders to receive dividends until the transfer to the State was effected.

Mr. George said the charter of the Great Northern Railroad, which it was now propose to amend, was passed in the Massachusetts legislature in 1869, and authorized the consolidation of the Boston and Lowell, the Nashua and Lowell and the Concord railroads as the Great Northern Railroad Company. This charter was subject to the approval of the State of New Hampshire, which, owing to the influence of the small politicians of that State, could not be obtained, thus defeating the project to the present time. It was proposed in the amendment to this act to now include the Fitchburg Railroad in the Great Northern Railway consolidation, with power to buy or lease connecting lines in the route to the West by the Hoosac tunnel. He believed the matter before the committee had the greatest attention of the business men of Boston, and he was willing to put his project to the test with any other that had been offered, and stand or fall by it as to which was the best for Boston and the State. The public interest required simply that there shall exist between Boston and the far West a line of railroad communication which shall take freight and passengers as cheaply and quickly over its line as can be done, and place Boston on an equality with other great ports. The essential points required to accomplish this object were a well constructed line of road; sufficient terminal facilities to receive and dispose of the business of the road; sufficient equipment; and an energetic, enterprising and honest management. Without these there would never be a good line to the West. Mr. George claimed that his project offered the best means for furnishing these necessities. He explained the condition of the two roads desiring to unite as sound in the extreme, with a joint capital of $25,000,000, while he characterized the Troy & Greenfield road as the meanest one in Massachusetts, and the Vermont & Massachusetts as requiring an expenditure of four or five millions to put it in proper condition for through business, such as reducing grades, supplying second tracks, etc. He cited the Vermont Central road as a shipwreck, owing to the piles of mortgages that had been effected to secure the western traffic. Another shipwrecked line, he claimed, would be the result of placing the Tunnel route in the hands of the other parties who were endeavoring to get it under their control. The Lowell road had terminal facilities in Boston and Charlestown that no other corporations could now possibly secure of anywhere near an equal capacity. The purchase of real estate on Lowell street at $300,000 could not now be bought for a million. The original and improved cost of the Mystic River flats—between $400,000 and $500,000—had been advanced to an immense value, incalculable for the uses to which the corporation proposed to put them. A plan of these tide-water terminal facilities, comprising seventy-three acres and a splendid harbor front and dockage, was exhibited, and the means for docking vessels of the largest capacity set forth. They could not, said Colonel George, be purchased today for $10,000,000. The plan of the grade crossings of the various roads in Charlestown was also shown on the map, and the scheme for doing away with them altogether was enlarged upon—the avoidance of stopping an average of sixty trains a day on each of the intersecting roads being advanced as one great argument in support of the scheme of consolidation. In regard to the assets of the Lowell road, its advocate said, it had its original road bed; ten acres of land in Boston; thirty acres in East Cambridge; thirty-two acres on the Mystic River, and twenty-eight acres of wharfage and dockage on Boston harbor. There was a debt of less than five millions. It also owned the Stoneham Branch and the Lexington and Arlington roads, the latter to be extended to Concord in the spring. The terminal facilities were such as to compel the acquisition of the western export traffic. The Fitchburg road has been honestly managed, though not on the policy of expansion so much as the Lowell, and had a clear capital of four millions of dollars. Mr. George closed his argument with a brief reference to the fact that the State of Massachusetts had spent its millions, taken from the people of the State, to bore a hole through Hoosac Mountain. He would have the State hold on to the tunnel until its value was determined beyond a doubt. If the tunnel was to prove a failure the State did not want to throw it upon somebody else's shoulders. If it proved a success the State should have the benefit of it. If the committee could see fit to report the bill he asked for, he would promise a faithful carrying out of all agreements entered into with the State and other connecting lines of railroad.

In the course of the argument Judge Thomas asked how the new consolidation proposed to take the connecting tunnel roads. J. G. Abbott, who appeared for E. R. Hoar on behalf of the Lowell road, answered that if Mr. Thomas would write an amendment providing for the appointment of commissioners by the supreme court, who should settle the terms of lease or purchase, he would gladly insert it in the bill.

THE LOWELL RAILROAD'S PLAN.

The plan of the Boston and Lowell Railroad, which is assented to by the Fitchburg Railroad corporation, was fully developed by the counsel of the former company at the hearing yesterday. As had been conjectured it was merely a proposition to permit the two companies named to unite, with the further permission to the consolidated company to lease or buy the property and franchise of the Vermont and Massachusetts Railroad Company. The counsel of the Lowell Railroad expressed a willingness to have the lease or purchase made obligatory, but we are unable to see that this improves the prospects of the Vermont and Massachusetts road, or releases it in the least from the grasp of the two roads now desiring an act of union. If it were essential to the best interests of the State that the rights of any railroad company should be sacrificed, it would still be a serious question how the sacrifice should be accomplished. Since there is no such necessity, we can see no reason why the proposition should meet with any favor on this score. The rights of the railroads are not, however, the question we propose to discuss today; but rather the strength and the weakness of the new plan of consolidation.

It may be admitted that were the Lowell and the Fitchburg roads consolidated the joint corporation would have ample terminal facilities for doing all the business that is likely to come through the Hoosac tunnel for several years to come. The proposition requires no proof; the facts speak for themselves. We shall not deny that the railroad skill that has made the Lowell road and the Northern line what they are would be an advantage in the management of the tunnel line. It is indisputable that the plan of the Lowell road would partially obviate the difficulties of the grade crossings on the northern side of the city, leaving but one of them. Nor will any intelligent railroad man hesitate to acknowledge that friendly relations between the Fitchburg and the Lowell lines are better for the respective stockholders and not more onerous to the public than the attitude of armed hostility in which these two roads have stood towards each other, under their present managers, until within a few months. Finally, if more money is wanted, it needs but two eyes to see that a rich corporation can obtain funds more easily than a poor one.

We believe that this exhausts the catalogue of conceded points. They fail to convince us that the Lowell plan is preferable to the other. Consider first the matter of terminal facilities. It may be true that the Lowell road took the best position for a heavy freight business, but that it took the only remaining position is simply an assumption. There is ample ground left that may yet be purchased and improved. In case the navy yard should be given up by the national government, as some desire, that of itself settles the question where the consolidated tunnel line might locate its freight station, and the position would have all the advantages of nearness, size and connection at a very slight expense, with tracks already laid. But were it true that the Lowell road had seized upon the most available site, we do not see that the acuteness of the managers of that road in this particular has checkmated the Commonwealth so that it is forced to resign the control of the tunnel line into their hands. If the union of the Lowell road with the Fitchburg is on the whole desirable, it should be consummated. If the other plan is preferred, the question of terminal facilities will be solved as soon as they are needed, with or without the help of the far-sighted managers of the Lowell road.

The argument that the intelligence and skill of the guiding spirits in the Lowell Railroad are essential to the success of the new line, is an ungracious reflection on the managers of the associated Fitchburg road, and upon the directors of the other roads west of Fitchburg. As a matter of fact, we presume that any consolidated line that is organized will find it necessary to employ the best obtainable talent in railroad management, and if the petition of the Lowell road should be granted the amalgamated company so formed could do no more. The grade crossings north of the city can be avoided by a mere contract between the Lowell and the Fitchburg roads to use the station of the former company, which must be large enough without consolidation, if large enough after consolidation. It is not, we venture to assert, indispensable to the success of any line that it should own the brains that have made the Northern line, nor is consolidation of the Lowell and Fitchburg roads the only solution of the grade-crossing problem. Again, we are unable to see why the present friendly relations between the two companies may not continue, even if their petition for a decree of marriage should be rejected.

We come next to the question of raising money. Here we think Colonel George admitted too much. A line, as frequently repeated, only twenty-six miles long, has ventured to do what? To increase its debt from $640,000 in September, 1870, to $2,390,000 in September, 1872, in order to increase its terminal facilities. What is more, it has been able to raise this large sum of a million and three-quarters of dollars, with much further expenditure to come, in two years. Moreover, the Lowell Railroad entered upon this expenditure when the number of passengers in the ten months ended with September, 1870, was one and a quarter millions, the tons of freight transported in the same time being 432,000. It was done when the difficulties of making a consolidated Northern line, so pathetically described yesterday, had become evident. Was it therefore a wild, an unnecessary extravagance? Not at all. The pluck and enterprise that were behind the great undertaking deserve all praise. Now the Fitchburg road, also unconsolidated with any other road, carried during the same ten months more than a million and a half passengers and 532,000 tons of freight. Like the Lowell road it is a double track line, with good equipment, but unlike it the Fitchburg has no debt at all. It is claimed that the Fitchburg road's property and franchise are worth seven million dollars, represented by only four millions of capital. Is it at all unreasonable to suppose that the Fitchburg road might alone be capable of doing, on its present business, what the Lowell road was capable of doing,—namely, raise money to improve its terminal facilities in Boston? If the answer is in the negative, it is a curious confession of weakness for the Fitchburg road to make, but it is one that will generally be ascribed to timidity or to unwillingness to make the attempt rather than to the real weakness of the road. If it be said that what the Fitchburg road alone could do the consolidated line could not do, we are of a different opinion. None of the companies forming the line are seriously in debt, and they have all paid dividends on local business within the past year. It is a provision of the bill submitted by the western roads that the companies shall be stocked at a fair value, to be ascertained by a competent commission. The entire debt resting on the consolidated company would be less than two millions and a half. If there can be a corporation in a more satisfactory position to apply to capitalists for a loan, we do not know where it is.

But the counsel of the Lowell Railroad was inconsistent in his argument as to the necessity upon the tunnel line to provide for a great business. If his airy denial of the fact that there is a great amount of business awaiting the opening of the tunnel is to be accepted, what becomes of the assertion that a second track must be laid from Fitchburg to the State line and great terminal facilities provided in Boston? If terminal facilities are not required, why unite the Fitchburg and the Lowell railroads to secure them? If,

as he asserted, it is a good rule that a corporation should provide for traffic as it develops and not before, why cannot the proposed tunnel line avail itself of this bit of wisdom, and wait until it is seen that the double track and the freight-yards and elevators are to be required? If the petition of the Fitchburg and Lowell roads is granted, and if under it the Vermont and Massachusetts road is leased or bought, will the consolidated company set at work to straighten, improve, and lay a double track upon it, or wait for the development of business, according to Colonel George's maxim? And we should be glad to know, for the unanimous statements of all witnesses are, of course, true, how the Lowell and Fitchburg roads expect the Troy and Greenfield road to be improved, the double track laid, and other necessary changes made, so as to put it in decent condition for any business at all? The answer to the last question must be, by the Commonwealth; and we are unable to guess at any other solution of the puzzling opposition of the Fitchburg road to a union with the Troy and Greenfield, than that it is hoped the State may improve first and give the road and the tunnel at half cost afterwards.

1873 Thursday.

COMMITTEE HEARINGS.

THE CONSOLIDATION OF THE HOOSAC RAILROADS.

An opportunity was given the citizens to present their general views on the feasibility of consolidating the various lines of railroad in the Hoosac tunnel route, and of leasing or parting with the tunnel. The green-room was well filled with an interested audience.

Mr. C. C. Coffin was the first speaker. He unhesitatingly declared himself opposed to the plan for the surrender of the franchise of the State in the tunnel, and to the project of the railroad commissioners that the State shall take the four connecting roads. As to the proposed union of the Boston and Lowell and the Fitchburg roads he had not much to say, except that it should have the careful consideration of the public. He then proceeded to discuss the future of Massachusetts, and particularly of Boston, and the relations of this city to England, on the one hand, and to China and Japan on the other, and urged that the primary object of the making of the tunnel was to secure to Boston the foreign grain trade of this country. That this trade was enormous he showed by statistics, which stated that from 1860 to 1870 the imports of wheat and flour into England amounted to 730,000,000 bushels, or an annual average of 73,000,000 bushels, the other kinds of grain amounting to about as much more. Of the wheat sent to that country twenty-seven and one-quarter per cent came from the United States and five per cent from Canada, while another third came from the port of Odessa. According to the Mark Lane Express England would have to spend $195,000,000 for breadstuffs the present year, and it lay with America to get the monopoly of the traffic, and with Boston, if she chose to gain the grand monopoly of the American trade, and to eventually become the London of the country. He described the canal and rail systems of New York and Canada, and demonstrated that from the lakes to Boston a saving was made of two days in transportation as compared with the transportation to New York city, to say nothing of the fact that Boston was a day nearer to Liverpool on the Atlantic. This saving, he urged, would insure to Boston the greater part of the export of grain should she avail herself of the great advantages open to her, as well as the trade in grain between Odessa, Russia and England, which was now done in sailing vessels exclusively. He claimed that all the northern lines soon to be constructed across the continent, including the Canadian, could be made tributary to Boston. Mr. Coffin then detailed the progress made on the Northern Pacific and that expected to be made during the coming summer, and gave statistics of distances across the continent by the several lines. The opportunity of Massachusetts, yet unavailed of, to furnish the Orient with coarse cotton goods, was duly set forth as one of the results of transcontinental rail lines, affording our manufacturers an advantage of twenty-six days in transportation over the English, who now sent 400,000,000 yards to China alone. The power would soon be placed in America to destroy this great monopoly which Great Britain had hitherto secured and kept. San Francisco and Puget Sound, Mr. Coffin claimed, were the only ports on the Pacific that could be used with advantage, and the latter was soon to be made the great gateway of the western American commerce.

Mr. Josiah Quincy read his petition asking the State to take the management of the consolidated lines, and afterwards read a statement, in which he set forth his views on the good results that would follow from the management of a railroad by the State. He argued that as to the necessity of consolidation in some form, and as to the truth of most of the statements of the petition there will be a little difference of opinion. That all attempts to regulate the charges for transportation by legislative enactments have failed, and that the necessity of combination between rival lines prevent its being effected by competition, are facts. Rival lines of steamers may compete, and the one that has the greatest capital may run the other off and have the whole business itself, but railroads once located are fixtures. If for instance there was a road parallel to the Boston and Albany they would certainly combine, and the basis of that combination would be to make the public pay such a price for transportation as would insure handsome dividends to the shareholders of both. The two great competing lines for the business of the West —the Boston and Albany and the Boston and Lowell railroads—would shortly have to compete with a third, and this last, or tunnel line, if placed under the control and supervision of trustees appointed by and responsible to the State, may (as has been done in Belgium) become a regulator of prices for transportation. The railway companies, in their report of 1871, are of opinion that it can be so managed as to be uninfluenced by fluctuations in politics, and while insuring a liberal compensation to the shareholders of the roads taken by the State can protect the interests of the people and do full justice to those of the competing lines.

Mr. W. B. Spooner supported Mr. Quincy's memorial in a short speech. The trouble was, he said, that nobody had ventured to inquire how low the fare could be reduced between Boston and Albany and pay. He thought the State could test the question in the same way that the general government had settled the practicability of cheap postal rates. Put a capable man at the head of a line started for this test, give him suitable regulations, a good board of directors, and an adequate salary, on the principle pursued by the manufacturing corporations, and the success would be so apparent that the system would never be abandoned.

Mr. William Claflin appeared in favor of the plan proposed by Messrs. Quincy and Spooner. He remarked that it was singular that parties who opposed the tunnel route appear now to contend for its possession. The enterprise could never have been built except by aid of the State. The State has a right to take and operate the tunnel route: first, because it was built at the expense of the State, and, second, because the priority right of the State in the route gives the State a right to control it. There should not be any action on the part of said lines or other roads to assume the control of a line that is thoroughly within the ownership and control of the State. Hence outside lines are not to be organized by the State keeping the control of the tunnel line within its own province. Mr. Claflin thought that the idea of excessive cost to complete the line now owned by the State, and the line owned by the Vermont and Massachusetts Railroad, wholly imaginary, and urged that the State would be the gainer by the purchase of the connecting lines at whatever price should be agreed upon, even if it was half a million or a million more than they were worth.

Mr. Holton of Charlestown, in a few well-chosen remarks, favored placing the roads in the hands of the State government, on the principle that a child was given playthings to keep it out of mischief, and on the principle that a horse was given work to do to keep its spirits within control. The people were made more loyal by the mail facilities given them by the general government, and the people of the State would be better satisfied with their condition if they knew the legislature had their interest at heart in providing them with rail transportation at the lowest possible rates.

Mr. George E. Towne contended that though strength was needed, the State was in danger of paying too great a price for it. The union of the four connecting roads was not a disputed question; the dispute appeared to be in the ability to procure deep-water terminal facilities. He thought there would not be much difficulty in obtaining them if the subject was properly investigated. He admitted that strength was required, and was of the opinion that sufficient could be obtained outside of the Fitchburg and Lowell roads to run the line, control others, and the State and legislature also, for that matter. We had the boundless West as a producer and all Europe for a consumer, and the business done would be limited only by the capacity for doing it. The expenditure of $30,000,000, even, by the State, would be a small outlay on the valuation when the great advantage to be gained was considered. The fear of corruption Mr. Towne scouted. He would have the directors chosen by the governor and council instead of the legislature, for three years each. If the State then finds that it cannot run a railroad, it will have settled at once and forever the scheme of government ownership in railroads without having lost even a cent by her investment. Let the Commonwealth put her strength into the line, and brains at the head of it, and business would certainly come.

In the afternoon the committee held a special session, for the purpose of hearing the views of Mr. Joy, the president of the Michigan Central Railroad, upon the consolidation. Mr. Joy declared himself very much opposed to the State taking charge of any railroad enterprise, and cited the cases of railroads being managed by the governments of Missouri, Illinois and Michigan, each of which had proved a complete failure. Missouri had spent over thirty million dollars, and literally speaking had lost every cent of it, as the roads had been sold out at a great sacrifice. Yet this had undoubtedly been the means of building up the State, and, in a very indirect manner, the Commonwealth was now reaping the benefit of the investment. All the roads then built had become paying property directly they passed into the hands of private corporations. While he would not have the State take charge of the tunnel, Mr. Joy declared it would be much better for some one corporation to manage the enterprise, and not to leave it to the dangers of being manipulated by three or four different corporations. He was in favor of consolidation, provided that the roads were not in competition, as, if they were, the great probability was they would be leagued together for money-making purposes. A double steel track to Fitchburg, and single tracks beyond to the junction with the New York Central or the Michigan Central, with plenty of elevators and wharf and terminal accommodations in Boston, would, he thought, be sufficient to meet the demands of western travel at present, though when the new line got into fair competition with the great New York Central additional facilities would have to be provided. He urged cheap rates and rapid transit as the first requisites, and enlarged on the growing business of the West and the great desire expressed by shippers for additional and cheap routes to reach the eastern markets.

SHALL THEY CONSOLIDATE?

To the Editors of the Boston Daily Advertiser:—

A correspondent of the Boston Post, in a communication a few days since, argues in a very sensible way that it is for the best interests of the people of the State that the Boston and Lowell and Fitchburg railroads should consolidate, and take the Massachusetts Central to form a first-class route to the tunnel. The idea is good; but if the writer had ever been over the line of the Massachusetts Central he would have discovered that the towns and other stockholders of the company are not prepared as yet to be *gobbled* by the proposed consolidation. The stockholders of the Central are well aware that it is a first-class route to the tunnel, having easier grades, better alignment, less curvature, less number of bridges, is more direct and shorter, taken with its connections, by several miles than any other line, and that it is manifestly for the interest of the connecting lines, both on the north and on the south, to reach the tunnel by the Central route. The work of construction has been quietly progressing for the past year and about one-half of the road is graded and ready for the track; the balance can be completed within a year if necessary, when the road will be in position to treat on favorable terms with the consolidated companies, and not be absorbed as would be the result if done at the present time at a nominal sum. The towns through which the Central runs have a large interest and a pride in the road, the completion of which will make it the longest continuous line under one management, except one, in the State.

Neither do we believe that it *is* for the interest of the people of the State to consolidate two such important railroads as the Fitchburg and Lowell, and thereby create a monopoly to control the business from the north and west, or as it has been very happily stated, "by consolidating these two roads a giant will be created who will stand with his two feet in Boston, his right hand grasping and controlling the business from the north, and his left hand holding the business through the tunnel"; it does not require much foresight to see that these two roads consolidated would be a power in this State that it would be hard for our legislature to resist, and the tunnel, which has been built by and should always be owned and controlled by the State, would fall an easy prey to the persuasive powers of this giant concern. The true interests of the people of the State, in our opinion, will be best served by creating competing lines and not by consolidating. Let the Lowell road compete with the Fitchburg for the northern business, as it has always done, and connect with the Massachusetts Central for a line to the tunnel, then competing again with the Fitchburg and its connections for a western business. Our legislators are elected to work for the interests of the people, and not to legislate for the interests of the stockholders of these two, or any corporation.

The attorney for the consolidation, in his argument in its favor, urged that by uniting the twenty acres of the Fitchburg with the thirty or more of the Lowell at tide-water, sufficient territory would be acquired to accommodate the immense business that will come. We fail to see the force of this argument for consolidation, for it will not increase the number of acres that each owns, and therefore the companies are just as strong apart as consolidated, for no one doubts that either the Lowell or Fitchburg roads, separate and alone, can raise all the money they may need, particularly if there is an appearance of the business at any time to warrant the expenditure. A consolidation of these two companies is unwise, and against the welfare of the people, and is placing weaker roads at the mercy of an arbitrary monopoly. This is clearly indicated in the flippant manner in which the attorney for the consolidation spoke of connecting lines, expressing surprise that the Vermont and Massachusetts Railroad should have presumed to offer their road as a basis of consolidation of the tunnel lines. The Troy and Greenfield road also receives a touch of the gentleman's eloquence as a *wheelbarrow* concern—thus demonstrating how kindly the consolidation feels toward the roads it will inevitably swallow.

If, on the contrary, the consolidation is not permitted, it would be for the interest of the Fitchburg to treat the Vermont and Massachusetts Railroad fairly in order to obtain the tunnel business; and the Lowell, seeing that it is for its interest to compete for the business of the West, can obtain it by fair treatment of the Massachusetts Central, and the public will be better served by so judicious a competition. If consolidation must be permitted, let it be delayed a few years until we have more proof that it is necessary, for delay in this case cannot be dangerous to the interests of the people of the Commonwealth.

T. F. A.

$80,000

$32,033

BOSTON DAILY ADVERTISER.

THURSDAY MORNING, FEB. 13, 1873.

THE VERMONT AND MASSACHUSETTS RAILROAD.

THE ANNUAL MEETING AT FITCHBURG—A LARGE ATTENDANCE AND SPIRITED MEETING—AN INTERESTING DISCUSSION—A CONSOLIDATED TUNNEL LINE STRONGLY URGED—NO ROOM FOR THE LOWELL—THE OLD BOARD RE-ELECTED UNANIMOUSLY.

[FROM A SPECIAL CORRESPONDENT.]

FITCHBURG, February 12.—The annual meeting of the Vermont and Massachusetts Railroad was held at the Fitchburg Hotel this afternoon. After the customary and excellent dinner had been served the stockholders assembled in the parlors of the hotel shortly before three o'clock, the attendance being the largest of any meeting of the road, 13,346 shares being represented. The old board of directors were unanimously reëlected. The interest naturally centered on the question of a consolidated Hoosac tunnel line, and the discussion took a lively and interesting turn. Opinions were freely expressed concerning the action of the Lowell road, which was generally regarded as impertinent and an interloper pressing for a place where there was no room, and desiring to share in business to which it was in no place entitled. The unanimous sentiment was that the road, having kept its faith with the roads forming the proposed line which had sacrificed much to attain this end, was now entitled to reap its share of the reward near at hand. Mr. W. W. Wheildon, who appeared to represent the Fitchburg road, introduced resolutions looking favorably on consolidation with the Lowell, but they were unanimously rejected, the feeling being that such action would seem like begging a place at a table where they were not wanted, and that without the aid of outside corporations the roads forming the proposed line were amply able and strong enough to carry on the work themselves with the same energy that had prosecuted it thus far. Resolutions embodying these views were adopted without a dissenting voice. The meeting, which was a most important one, showed in most unmistakable terms the feeling of the principal road of the new line to the West.

The meeting was called to order by President Richardson, after which the call was read by the clerk of the company, Mr. B. D. Locke. The twenty-ninth annual report of the directors was submitted and its reading dispensed with. A committee was appointed to receive, sort and count votes for a board of directors for the ensuing year. While the committee was out the president said that any business that might be legally transacted was in order.

Mr. T. K. Ware stated, in behalf of the board of directors, that during the past year the statutes of Vermont had been examined, and it was found desirable that many of the acts of the road should be confirmed by the Vermont legislature, and that accordingly a bill had been passed confirming all the acts of the road.

Mr. Snow of Fitchburg had some resolutions to offer. Many years ago steps were taken by the roads between Boston and Troy looking toward a consolidated line through the tunnel, and now that the promised reward is close at hand it seems proper that this corporation should give a pledge that the faith which had been kept heretofore with its co-laborers should be kept in the future. Now that active steps have been taken before the legislature for consolidation they should receive the recognition of the stockholders. It might also be well to take notice of the officious action of other corporations which had taken no part in the labor and burden of the past, but now stepped in hoping to share in the compensation near at hand for the patient waiting, and the loss of others. He therefore offered the following:—

Whereas, for many years the faith of the Fitchburg, the Vermont and Massachusetts and the Troy and Boston railroads, together with the faith of the Commonwealth, have been pledged each to the other for the construction and establishment of a consolidated route to the West through the Hoosac tunnel, and

Whereas, to that intent and purpose they have jointly and faithfully labored and made large pecuniary sacrifices, it is now hereby

Resolved, That the Vermont and Massachusetts Railroad Company, having during so long a season of difficulty and uncertainty been true to its pledged faith, does not now, when the success of the undertaking has been made certain, propose in any particular to depart from it, but to carry out all its agreements faithfully and honorably, not to the letter only, but fully and in the spirit which they were made and upon terms of full equality with ourselves.

Resolved, That this undertaking is not dependent for full and final success upon the consolidated offers of assistance of any corporation by situation and position wholly unconnected and alien to the proposed consolidation, and that we rely on the same energy, perseverance and liberality that have carried this great work to its present stage to insure its final completion.

Mr. W. W. Wheildon of Concord did not see what good would be done by pressing these resolutions. He did not agree to the resolutions, either the historical part or the assumed part, and there are various things in the preamble which he denied. He, after a thorough examination of the question, believed the consolidation of the Fitchburg and the Lowell roads the best thing to be done. It had been said that all the railroads in Massachusetts had a right to use the tunnel, but he thought this road had the best right to the tunnel and an almost exclusive right, and the argument that all roads in the State had the right to the use of the tunnel was superficial and unsound. He thought that by the consolidation of the Fitchburg and Lowell roads the best terms could be made for this road. It has been said that by the union so large an aggregate of capital would be made, that dividends upon it could not be earned. But to work the line a large capital is needed, and whatever addition is made to the capital of the Hoosac line by the Lowell Railroad, that road is already earning a dividend upon, and that objection falls to the ground; while any addition to the capital made by these roads would be earning nothing for a long time. He therefore offered the following resolution as a substitute:—

Voted, That the directors of the Vermont and Massachusetts Railroad be and are hereby authorized to enter into negotiations with the Fitchburg, Boston and Lowell, Cheshire and other connecting railroads for consolidation, lease or purchase, or make jointly with them such arrangements as may be deemed best for public interest in accordance with the action of the legislature, provided that no such arrangement shall be considered as final until approved by a vote of the stockholders at a meeting specially called for that purpose.

Mr. Snow did not think the gentlemen would deny that these corporations, forming the great tunnel line, had been making great sacrifices in times past for the attainment of this line. There had been for many years a mutual understanding between these roads to act in concert, and no outside road is included. He did not believe that a gentleman present did not know that these roads have had a fair understanding that a consolidated line would be formed by them, on the completion of the tunnel, and he thought that they were in honor bound to keep their pledge of faith.

Mr. Wheildon held that this did not prevent our calling in outside aid which would give greater strength to the line.

Mr. Snow said that in regard to the third resolution the question was whether this company should not give some expression of the conduct of the road which had hitherto stood aloof, and now proposed to step in and not include the Vermont and Massachusetts Central road in the consolidation. They had no consideration for our interest, and only proposed to take us when they consolidated with the Fitchburg road and were thus made strong enough to take us at their own terms when we are at their mercy. He therefore submitted whether, by keeping our pledged faith and forming a consolidated line from Boston to Troy, almost free from debt, we would not be stronger than we would if swallowed up by a line which has no natural connection with us, and which is only twenty-six miles long and three million dollars in debt.

Mr. Wheildon wished for information concerning the pledge of faith, and whether it was a regular compact between the lines or simply a kind of understanding between the roads, which really was of no value.

Mr. Snow said he did not know its exact nature, but it had always been well known that there had been such an agreement between the corporations naturally forming the great Hoosac line as was mutually held to be solemnly binding and obligatory upon all alike.

Mr. W. T. Davis of Greenfield wished to contribute a bit of history. Whether there had been a pledge of faith between the corporations he would not say; but he had now in his possession a bill for the consolidation of all the lines between Boston and Troy by the way of the tunnel. This bill was drawn in accordance with the views of the Fitchburg Railroad Company, and was drawn to meet its wishes. It was drawn a year ago in the office of the Fitchburg Railroad. It is written in the hand of one of that company's clerks. It was presented to the legislature last winter by the counsel of the Fitchburg road, and that company's influence was strong to secure its passage, which unfortunately was put off and the matter referred to the next legislature. The history is more modern than ancient, but it shows conclusively that as late as last year there was a good understanding on the part of the Fitchburg road to secure consolidation, and that it then urged it as strongly as it now strangely opposes it.

Here the report of the committee was submitted, and it appeared that the number of shares represented at the meeting was 13,346. Necessary for a choice, 6774. Daniel S. Richardson, William H. Hill, James A. Dupee, George F. Fay, Francis Goodhue, Wendell P. Davis and Thornton K. Ware had 13,346 votes each and were unanimously elected.

Mr. Washington Warren of Boston said that the great difference on the subject seemed to be that we are losing from our sight the advantages of the tunnel line. If we are to be consolidated with the Lowell and Fitchburg roads he thought we should not object, as it would be for our interest. He presented the following as an amendment to the vote offered by Mr. Wheildon:—

Voted, That the doings of the board of directors for presenting and prosecuting their petition to the legislature for the consolidation of the Hoosac Tunnel line, so called, be confirmed, and that they be further authorized to make such terms with the Commonwealth and other corporations, on behalf of the Vermont and Massachusetts road, as may be just, fair and remunerative, subject to the ratification of the stockholders.

Mr. Wheildon understood that before the committee yesterday the counsel of Lowell Railroad had admitted its willingness to include the Vermont and Massachusetts road in the consolidation.

Mr. Snow did not so understand it. They wished to consolidate with the Fitchburg and then would graciously be willing to purchase the Vermont and Massachusetts road—on their own terms.

Mr. Wheildon understood that consolidation was meant.

Mr. O. T. Ruggles—"Purchase or lease"; those were the words.

Mr. Wheildon thought that if consolidation as proposed by the Lowell road did not include the Vermont and Massachusetts, it ought to be provided for. He thought that the Lowell and Fitchburg would be perfectly willing to do so.

Mr. Ware said that no proposition had been made by any other corporation which would be considered by these stockholders for a moment. No proposition to consolidate with this line was suggested by Colonel George in his remarks. There is no proposition to include even the tunnel. Put it how you please, and you can't put it in any shape that will meet the approval of these stockholders. It can amount to nothing but that these two roads take us on their own terms. They have made no proposition in public or private looking to consolidation with us. The last resolution of Mr. Snow's amounts to an assertion of the independence of this road, and he thought that no stockholder would object to this, as it expressed the opinion that we can do the work ourselves without the aid of alien corporations. As to Judge Warren's resolutions, he saw no particular objection to them, though he thought that they were not called for, as no proposition has been made to include us in the consolidation.

To the question of a stockholder as to the reason of the Lowell road for so strongly desiring consolidation, Mr. Snow said that it was obvious to him that they had a lot of land they would like to get rid of, and they had a debt of $3,000,000 which was inconvenient. [Applause.]

Mr. Charles T. Crocker of Fitchburg thought the proposed consolidation of the Fitchburg and Lowell was a myth.

Mr. Wheildon said he would like to have such a debt as the Lowell road, as it represented a property worth $10,000,000, and gentlemen know that no road has a credit better than the Lowell. He spoke of the excellent advantages of the Lowell road for gram transportation, and said that if the Fitchburg road received a few hundred bushels of grain in Boston today they could put it nowhere.

Mr. Deming inquired what arrangements had been made between the Lowell and Massachusetts Central roads. He had understood that that line might work to the prejudice of this road, should it consolidate with Lowell and let the tunnel.

The president said that arrangements had been made between the Massachusetts Central and the Lowell roads for the use of their station and terminal facilities in Boston, and thought that if the tunnel was not consolidated, the Lowell road might consolidate with the Central road and push a line to the tunnel.

Mr. Snow accepted the resolution of Judge Warren as an amendment to his, and the two were unanimously adopted, and the substitute offered by Mr. Wheildon was unanimously rejected, and the meeting adjourned with the hope generally expressed that another year they would be stockholders in the Hoosac Tunnel Railroad Company from Boston to Troy.

Corn as fuel

Our Surplus Corn.

TO THE EDITOR OF THE GLOBE:—In 1306, Edward I. issued a proclamation prohibiting the use of stone coal in London as a substitute for wood. We always hear of a new custom with something of a shock. No wonder then, Eastern people at first denounce the Western use of corn for fuel as wicked. But as soon as they stop to think, they see that food and fuel are convertible terms, and that the purpose of using corn whether as food or fuel is the same, namely to keep up the temperature of the body, though in one case by internal and in the other by external applications. "Burning corn" then, becomes a question not of morals but of economy. A bushel of corn in the ear weighs seventy pounds, and 29 bushels a ton, costing at 15 cents a bushel scarcely $4.50. But a ton of corn has been found equal to a cord of wood, whether for cooking or heating. In half the country, wood ready for the stove costs more than $4.50, and its price is rising.

Moreover we have yet to learn how to make the most of corn as fuel. We have coal stoves and wood stoves,—but thus far no corn stoves. What is a wood stove worth for burning coal? As much, it may be, as for burning corn. A thousand patents must be obtained for corn stoves before we ought to expect to utilize corn as well as we now do coal or wood. The uses of all valuable products have been discovered by instalments. When the seed potatoes first brought into Ireland, had yielded a crop, the peasants thought the balls were all the fruit they could expect. So we, corn-burners, have been ignorant of the true uses of our fuel. The kernels which come out of the stove unconsumed, we have thrown away, as if they were coal clinkers. We have wasted the best part of our combustible.

Mr. Whitcomb of Friendville, Nebraska, has tried the experiment of burning these charred kernels over again. No doubt he is descended from the Connecticut economist who would not only skin a flint, but lay it up to skin again. A hundred trials have satisfied him that the charred kernels are the best of charcoal, burning as intensely and as long. We have complained of corn as burning too fast, and have seen it vanish in a flash with all the agony of an innkeeper beholding his freshly roasted viands rushing down the throats of his guests. But the complacency of that same innkeeper comtemplating the same viands very slowly consumed when served up a second time as "hash," is no greater than that of Mr. W. and those who follow his example, as they look upon "charred corn clinkers" giving out as much heat as any coal, and lasting as long.

Other discoveries are still to be made. I know an Englishman, who, when he first encountered an ear of boiled corn, ate it as you would a radish, cob and all. It was hard not to laugh at him. But we may be now using corn as fuel no less awkwardly than he did as food. We hover on the brink of we know not what discoveries. Kerosene was long useless as an illuminator because men had no lamps in which it would burn without smoking. A Frenchman had spent years in search of this desideratum. All was in vain. But one evening, having accidentally broken the long neck off his wine-flask, he chanced to hold it over the smoking flame of his lamp. The smoke ceased—chimneys were invented—and kerosene shed light over all the world. Corn has always been an American corner-stone. But for finding Indian hoards the Pilgrim Fathers would have starved. The debt of Bostonians to it has a monument in their street—Cornhill. The crop of it in the United States is worth more than wheat and cotton combined. But its total uses are not yet exhausted, or even suspected.

J. D. BUTLER.

Lincoln, Nebraska, Feb. 7, 1873.

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How?

BOSTON DAILY ADVERTISER.

SATURDAY MORNING, FEB. 15. 1873.

HOOSAC TUNNEL.

STATE OWNERSHIP NOT ADVISABLE.

TESTIMONY OF JAMES F. JOY BEFORE THE LEGISLATIVE COMMITTEE—NECESSITY FOR A THROUGH LINE UNDER ONE DIRECTION—AN IMMENSE PROSPECTIVE BUSINESS.

TESTIMONY OF JAMES F. JOY.

Q. (By Mr. Allen.) Will you have the kindness to state which of the principal railroads you are connected with? A. The Michigan Central Railroad is the most prominent one with which I am connected now. The Chicago, Burlington and Quincy road has been under my charge for several years, but I have resigned the charge of that. My connection is now mainly with the Michigan Central and other roads further west.

Q. You are aware, I suppose, of the general situation of the lines of railroad from Boston, that are seeking a western connection; there is the Boston and Lowell, by the way of Ogdensburg, on the north, the Tunnel route, by way of the Fitchburg, Vermont and Massachusetts, and Troy and Greenfield roads, the Boston and Albany, and, ultimately, the Boston, Hartford and Erie, whenever that is done? A. I have been over them all, except the Boston, Hartford and Erie.

Q. I would be glad to have you express your opinion to the committee in regard to this general question, whether or not there is enough freight business at the West, seeking the East, to furnish business for all of these roads, if they are built? A. Our difficulty in the West is in getting eastward with freight. We have now the Pennsylvania Central and Pittsburg and Fort Wayne, constituting one line, the Erie and the South Shore line, constituting another, the New York Central, the road through Canada, and the Michigan Central, constituting another, and the Grand Trunk road, constituting another; and this year there has not been one of the roads—not one of them—that could take freight from Chicago during the winter, simply from inability to transport it over their roads; all clogged, every one of them. The great want of the West is transportation toward the East.

Q. The Hoosac tunnel line consists of the Fitchburg Railroad, from Boston to Fitchburg, about fifty miles; from there to Greenfield, over the Vermont and Massachusetts road, about fifty miles more; from there to the State line by the Troy and Greenfield road, which is owned by the Commonwealth, and which includes the Hoosac tunnel; and from there over a road owned and controlled by the Troy and Boston Railroad, about forty-two miles, to Troy. The immediate question which we are considering is with regard to the consolidation of all these lines. We are seeking to know how best to utilize this line of railroad, with reference to making it as effective as possible in the cheap and rapid transportation of freight and passengers. I should be glad to have you express your opinion as to what will be the best means of operating this line of railroad from here to the Hudson River? A. We should consider, at the West, where we have had large experience in consolidation of railroads, that they could not be worked at all to any advantage, unless they were made into one corporation and worked together.

Q. Will you give the reasons for that opinion, briefly?—A. Some of the reasons are, that we hardly ever find two corporations which will work in perfect harmony and agree upon a proper division of rates, in the first instance; and there are always, in the course of business, conflicting elements which arise between them, inasmuch as they cannot work together with harmony in the division of rates, and they cannot work together with the same force and efficiency in seeking business as they can if they are one corporation, possessing that power which a large corporation always has. They can be worked much more economically in one corporation and under one management, and, as I said before, with very much greater power and influence in the West in obtaining business.

Q. What would be the effect, in your opinion, of a consolidation of the separate lines upon the real intrinsic value of the stock of each? A. That would depend upon the fairness of the agreement with which they are consolidated. I cannot say as to the conclusion at which you might arrive in regard to the price at which each should be put in, but there is no doubt of this; that the whole line together would be worth very much more money. Whether you could make a fair contract between the various elements which compose the line, so that they would share the profits, I cannot say; but the value of the whole line would be immensely increased by consolidation.

Q. The distance from here to Troy, by this line, as it now exists, is about one hundred and eighty-eight miles; it is expected that it can be shortened a few miles—perhaps six or eight. The State, as I mentioned to you, owns the Troy and Greenfield and the Hoosac tunnel; upon the Vermont and Massachusetts and Troy and Boston railroads there is an existing debt of about two and a half millions; upon the Fitchburg Railroad there is no debt. There is, therefore, upon this line of one hundred and eighty-eight miles, from here to Troy, a debt of about two and a half millions. I want to ask you whether, in your opinion, a consolidated corporation, consisting of the roads from here to Troy, with a debt of two and a half millions upon it, and with the prospects of business which it would have as soon as it was ready to do it, would experience any difficulty in raising the necessary funds for additional equipment? A. A debt of two and a half millions on such a road as that, the length of that, would be a very small debt. I should say they could certainly raise some millions more than that without any difficulty.

Q. As a part of this same general subject there is a proposal here to make a consolidation between the Fitchburg and the Boston and Lowell Railroads, the latter forming the first link in the line of the Northern Railroad, as we call it, running from here to Ogdensburg. I would like to have your opinion upon the effect upon the rates of freight, or the general advantage or disadvantage, of consolidating the base ends of two lines of railroads which are to some extent competing lines? A. It might be very much for the interest of the corporations, perhaps, to consolidate; but, as a general rule, two roads, aiming at the same business, or at places through which the business from the same section of country passes, ought not to be consolidated, in the interests of the public. I can conceive that, in the interests of the corporations, it might be a good thing, possibly. For instance: take the Boston and Albany road and the tunnel route, as you call it, and let them be consolidated together and run under one management, without any competition between them; I should think Boston would suffer very much. I am sure we in the West would. Two parallel roads, aiming at the same business, ought to be kept separate. Those roads would not be exactly parallel, but if they aim at the same business, and the object is to control the same business over the two roads, I should think the policy, so far as the public interests are concerned, would be against consolidation; the interests of the two corporations might be greatly in favor of it. I think if Commodore Vanderbilt, for instance, could have obtained control of the Erie Railroad, together with the New York Central, when he aimed to do it, we in the West would have suffered very much indeed.

Q. You understand the position of the tunnel. It is possible that there may be one or more other lines which will open into this line, which are now at a distance from the tunnel, and the question arises in regard to the practical management of that portion of the road through the Hoosac tunnel. I would like to have you express your opinion to the committee as to the expediency of allowing the locomotives of different railroads and the separate trains of different railroads to run through the tunnel, or in what way that matter should be managed, so as to give all connecting railroads a fair chance.

Mr. Joy.—How many tracks are to be laid through the tunnel?

Mr. Allen.—Two.

Mr. Joy.—It is only wide enough for two tracks?

Mr. Allen—That is all; there is not width enough for any more.

A. Of course the answer to a question of that sort would depend entirely upon the amount of business to be done. If there were two great roads, commanding a very large amount of business, I think it might be a little dangerous to have them run through the tunnel together, two independent trains. Take the case of the Bergen tunnel in New Jersey, through which the Erie and the Delaware and Lackawana roads go,—not so long a tunnel as yours, by any means. These roads have had very great difficulty in getting through the tunnel; so much so, that the result is the Delaware and Lackawana Company are building a separate tunnel alongside of it. It would be, I should think, a great while before any other road than the regular tunnel route to the West would command a very large amount of business to go through the tunnel, and until that time came, two roads might, perhaps, run through safely; but when there gets to be a very large amount of business on any other road, to allow the two roads to run independent trains through the same tunnel, and that a long tunnel, I should think would be hazardous.

Q. (By the chairman.) The Bergen tunnel has a double track? A. Yes, sir.

Q. Whether or not, in your opinion, it would be better to have the actual management of the tunnel under the control of one corporation? A. I should think it would be, sir, in any event. If a dozen roads were permitted to go through it, they should be under the control of one company, who should make the time tables, regulate the trains and everything else. One company should have the police and control of it.

Q. (By Mr. Shattuck.) Is there any objection to having the State retain the ownership of the tunnel, and making such arrangements for having the business done through there as from time to time may be found to be practicable and judicious, giving control to one road or to two roads, as circumstances may make it convenient? A. Do you put the roads on each side of the tunnel to be operated under separate corporations, or consolidated?

Q. I am now assuming, for the purposes of this question, that the roads on each side are consolidated into one, or you may take the other aspect, just as you please? A. I cannot conceive of any state of things which would to me justify these corporations in remaining separate corporations. I think they ought to be consolidated, by all means.

Q. Then you may answer the question on the assumption that they are consolidated. A. Then, if they are consolidated and run through the tunnel, and other roads want to go through, and the State thinks proper to retain the control of the tunnel, and make it adequate for the business that may go through, furnishing all the means necessary for the business, it might be used in that way.

Q. You see no practical objection? A. I see no objection except that where any party owns a means of transit like that, where half a dozen railroads, if you please, are to pass through it, not under the control of the railroads, the railroads are apt to be subject to inconvenience and difficulty. Perhaps the State might charge too large toll. I do not know how that might be.

Q. Assuming that the State would do what was fair, under the circumstances, and assuming that the tunnel, when completed, will have cost thirteen or fourteen millions of dollars—

Mr. Allen—That is too much.

Mr. Shattuck—I take the auditor's statement, — twelve millions. I think the auditor's report is the best authority. I have not seen anything to change that. Let me ask you if you have made any estimate of the value of the tunnel? A. No, sir; you cannot make an estimate of the value of the tunnel.

Q. I would like to have that observed, Mr. Chairman. It is impossible, in your judgment, to make any estimate of the value of the tunnel? A. You cannot do it. I will tell you what will determine the value of the tunnel. You have got to establish a route from here to Troy, or to some point connecting with the western roads, to make the tunnel valuable. Then you have got to have a tariff which you cannot control, which will be controlled by competition. You will charge so much, for instance, for transporting a car-load from the point where you connect with the western roads, and where the competing roads diverge, but all coming towards Boston. Competition will fix the rate. That rate will be so much per ton per mile. You cannot charge any more per ton per mile through the tunnel than is charged elsewhere on the line; if you do, you do it at the expense of the other roads each side of the tunnel.

Q. It is, in your judgment, impracticable for anybody at present, particularly before the opening of the tunnel, to form any real judgment as to its value? A. I do not believe anybody can determine its value.

Q. (By Judge Thomas.) Suppose the Commonwealth undertook to retain possession of the tunnel, and should fix an absolute tariff, so much a ton and so much a passenger, with no authority in the consolidated corporation to modify the tariff, what would be the effect, in your judgment? A. I think the result would be the business would go over the other roads. That is what I think about it.

Q. So that the corporation having the consolidated road must have some power to modify the rates through the tunnel? A. They ought to have the tunnel; that is what they ought to have. I will state (not to be taken down by way of testimony) an illustration of that. The New York Central and the Boston and Albany roads built a bridge across the Hudson at Albany (the first bridge they built) at a cost of quite a large amount of money, nearly two millions of dollars, I think. They thought they could make that bridge valuable, and they established a toll upon it, which everything coming from the West had to pay. Well, they could not, of course, get any more for their freight over that route to New York than the Pennsylvania Central charged, and the result was, they attempted to saddle that toll upon our western roads and make us pay the toll over the Albany bridge. The consequence was, we got less in proportion for the transportation of our freights over that route than we would get on any other rival line, and the result was that that toll worked against the New York Central and the Boston and Albany, and the business went by the Pennsylvania Central. The representatives of the western roads had a meeting with Commodore Vanderbilt in New York, and the result was they had to take the toll off of the bridge to preserve their business, and today that bridge is worth just what any other mile of their road is worth. They could not maintain their toll and had to take it off, so that the bridge is worth just as much as any piece of their road of the same length. But the bridge was a necessity to them, or else they they could not have any business at all. That is the way it will act with regard to the tunnel; it must be so from the necessity of the case.

Q. [By Mr. Bates.] How would it work, practically, in your opinion, to give three competing companies the right to go through the tunnel with their own locomotives and trains?

A. They ought to have, each of them, a separate track to run on; or, if they cannot have separate tracks, it would be better that one should be selected who should carry the cars of the other roads through the tunnel; a great deal better.

Q. Why would it be better?

A. Well, there is always danger from the irregularity of the time-tables, from the irregularity of trams, and things being out of order on the sections or in the tunnel. I can't tell you all the difficulties that arise, because on the roads with which I have had to do, we have never run through a tunnel. I know only from the experience of other roads, and I am not altogether familiar with their difficulties. I know the difficulties have been such that they have found it impossible to work in that way, but I cannot tell what they arose from, altogether.

Q. There were these difficulties in the Bergen tunnel, where there were only two roads? A. Yes, sir; the Delaware & Lackawana road and the Erie road ran through the Bergen tunnel.

Q. Of course every additional road that went through would create additional difficulty?—A. Yes, sir; it would intensify it very much

Q. That is, more than in proportion to the number? A. Yes, sir: very much more.

Q. [By Mr. Derby.] Your line terminates, I think, at Chicago? A. At Chicago, on the west.

Q. Have you found, as business has increased on that line, the importance of extensive dépôt grounds, much larger than you at first contemplated? A. Yes, sir. We have had to buy this year dépôt grounds costing half a million of dollars.

Q. How many acres are you now using at Chicago? A. I do not remember. We are using a very large tract there.

Q. If we could make a good connection with the West, by a shorter line and a more level road than the existing lines, and have a good connection with Chicago and with your line, do you not think we should require a large amount of ground in this vicinity? A. You would require dépôt facilities to do the business, undoubtedly.

Q. You would consider that we should require a very large amount of land? A. I should think you would require a pretty large space, but not so much as we need in the West. You would run your grain right into an elevator, and would not require so much room for storage as we do. You do not handle so much coarse freight as we do at the West. It does not come in such large masses. It would come in your trains and would be more easily handled. You would not need so much space as we do at the West; still, you would need considerable.

Q. Should you not consider it desirable, in view of the future, to get as much territory as seventy or a hundred acres? A. No, sir, I should not think so. I know of no road in this country that needs so much as that.

Q. You have found that you wanted more room to meet the requirements of your constantly increasing business. A. Yes, sir; the difficulty has been heretofore that when a railroad has been opened, they have not appreciated the extent to which business might grow, and consequently they have only provided what they wanted for the time being, and as business increased, they have required more.

Q. A great deal of space is required for standing-room, is there not? A. Yes, sir.

Q. For machine shops, repair shops, etc.? A. Yes, sir; but that need not be in the city.

Q. In the city or vicinity? A. Yes, sir: for shops, standing-room for your cars, and things of that sort, it should be outside, some distance off.

Q. There would be a great deal of room required for these purposes? A. Yes, sir.

Q. If two companies were coming together, and particularly if they combined with two or three others, they would require ample space for stand-

ing-room, cattle-yards, sheds, etc., out of the city? A. They ought to have it.

Q. And ample facilities for docks and elevators, for shipping, if they were going to ship large amounts of freight to Europe? A. There ought to be, sir.

Q. Supposing there are two lines starting from the same city, one of them running a little towards the north, say twenty-four miles long, going as far as Lowell, for instance; if that line possessed docks suitable for steamships and ground suitable for elevators, communicating with vessels to take freight to Europe, and the other line has accommodations of a different character, adapted to the coasting trade, for the discharge of hay and commodities of that kind, and supposing the shorter line had two-thirds of its capital in docks and lands, whether it would be desirable for the State to combine the two together and form a great line to the West? A. That would depend upon whether you could obtain the same facilities in the city.

Q. Suppose it were difficult to obtain them? A. I would not say that there might not be an element there, sir, that might outweigh the other consideration.

Q. Supposing there were other means of reaching the city and bringing the northern freight in; take, for instance, the road from Lawrence to Manchester, tapping the Concord road above Lowell; take the line coming down from Nashua to the Fitchburg—would there not be still stronger reasons for bringing in this line, with its local accommodations? A. I can hardly conceive that with such a line as the tunnel line ought to be, it would not be possible for it to obtain all the ground in the vicinity of Boston it needed.

Q. You are aware that the Boston and Albany road is encircling the city on both sides, taking a large part of the available land, and that this consolidation would bring in a large extent of territory on Mystic River? A. Yes, sir; but I should say that a corporation strong as that must be, if it should be consolidated and made one road, with good connections with the West, could obtain land enough in the vicinity of Boston.

Q. Would it not be a very strong reason for putting the roads together if the public interest could be promoted by putting them together, that thereby ample depôt facilities would be obtained? A. If there were advantages gained there sufficient to counterbalance the disadvantages of consolidation, it might be so; that I cannot say.

Q. With respect to the consolidation of roads, have you not found in your experience that it was oftentimes for the good of the public, as well as for the good of the railroads, to combine lines which were clashing with each other in the same vicinity? A. We have made contracts with other roads, which were run parallel, to see if we could not keep up the rates.

Q. Have you not found it desirable occasionally, and for the public good, as well as for private good, to consolidate lines that were seeking to run in competition? A. I have always done it in the interest of my corporation.

Q. Has it not, on the whole, been beneficial to the public, by putting an end to wasteful and injurious competition? A. I could not say that; but I know it has been beneficial to the corporation.

Q. Have you not found it so to the public occasionally? A. I do not myself think the public gain much by it, sir.

Q. With regard to your own line, with respect to the rails which are used, I would ask you whether steel rails have become essential on these through lines or not? A. We think so. We think it impossible to run a great road, with low prices for transportation, with iron rails and maintain it. On our road the business has increased to such an extent that we have found it utterly impossible to get along with iron rails; and we have been compelled to lay steel.

Q. Do you find it will pay to get a double track? A. Yes, sir; we are doing that very thing on the great routes.

Q. You have been obliged to lay a double track how far? A. We think it is essential to lay down a double track, as fast as we can, the whole length of the road. We have a second track on the Michigan Central its entire length, except about 50 or 60 miles, and that we shall lay down as soon as we can with proper economy.

Q. So that you will have a second track the entire distance? A. Yes, sir; the Great Western is doing the same thing this side of us; they will have a double track this year.

Q. How many cars are you using on the Michigan Central? A. That I cannot tell you; I have the figures at my hotel.

Q. Your report gives it correctly? A. No, sir; the report does not give it correctly, because there have been a thousand cars added since the report was published. I think we have on the Michigan Central between four and five thousand cars, of all kinds.

Q. With respect to the deflection of this road running down to Troy towards New York, and running directly to the lake, do you deem it desirable and important that there shall be a direct shore line to Lake Ontario? A. We want to get as many lines to the West as we can. It is of greater importance to the West than to the East. I see the line to Troy connects with the New York Central. That road is going to lay two more tracks on their line through to New York, which will add immensely to their capacity, and will, I think, in spite of all that can be done, command a very large portion, almost the main traffic from the West, if they enlarge their capacity so as to be able to do it. That is a very strong road, and it will be for the interest of every road running from Boston to have a connection with the New York Central. At the same time we shall all be rejoiced to see another road built, running along parallel, close to Lake Ontario and through to New York, because heretofore the New York Central has been glutted, and has not been able to bring freight from Chicago direct. We have been clogged a month at a time, simply because they could not take the business over their road. The business of the West is increasing with such immense rapidity that railroad accommodation has not kept pace with it, and it is hardly possible for it to do so; so that we shall welcome a road from here to the south shore of Lake Ontario, to connect with us. The sooner you can get another route along the south shore of Lake Ontario to the West, the better; but it should connect with the New York Central at Troy.

Q. You would have an arm at Troy and an arm to the West also? A. I would, if you could get it.

Q. Suppose that we could make a line to the lake and to the West, independent of the New York Central, and save from twenty-five to fifty miles, would you not consider that of immense importance to the West? A. It would be of immense importance, and if you could get a good route, you could compete with the New York Central; but the Central has an advantage over your route, and will have for many years to come. You could not acquire the facilities to do the business of the Central for many years.

Q. If we can lay down a second track, and get good depôt facilities on the lake, and a connection with your line, with its double tracks and facilities for doing business, should we not stand in a very good position? A. Then you would stand in just as good a position as the New York Central has been in up to the present time; but you will have the disadvantage that the New York Central will have four tracks where you will have two.

Q. [By the chairman.] You said "with such a route as the tunnel route ought to be." Will you give your views as to what that route should be, with your knowledge of the western business? A. It should be one of the great routes to the West. I mean that the different roads should be consolidated into one, with the power and influence of a single corporation, and made a first-class road. That is what I mean.

Q. Do you think there would be sufficient business to come to that road? A. I should have no doubt about it at all. Provided it could get a connection with the West, I have no doubt about it at all.

Q. Is not the business ready and waiting to come upon that route? A. I think there were two thousand cars waiting at Detroit a month to get an opportunity to come over the road.

Q. Is not the complaint of want of transportation very general? It is universal. There is not today railroad accommodation for much more than half the business.

Q. [By Mr. Bates.] As long as there are but four roads that can come into Boston and connect with the Hudson River and the lakes, that is, the Boston, Hartford and Erie, the Boston and Albany, the Tunnel route, and the Boston and Lowell route, up to Odgensburg, should you think it would be advisable to have any two of those competing routes consolidated? A. I should not. At the same time, they will all consolidate, if they can, every one of them.

Q. That is, if the legislature and the people will let them? A. And if the people will not let them, they will agree to what will practically amount to the same thing.

Q. [By the chairman.] Do you think the business would justify the laying down of four tracks? A. No, sir, not yet. If you get two tracks it will be a first-class road, sir. I think it justifies the New York Central in laying down four tracks. I think the commodore is wise in that. I think the time has come when he needs four tracks in order to maintain himself. I do not think the time has yet come in this State, because you are divided; you have three or four roads; there, there is only one. Five years hence you may need four tracks; you do not need them now, with your two roads. If you can get one additional road to the Boston and Albany road, which is a first-class road, it will answer your purpose for the time. But I would not say what you may need in five or ten years.

Q. It is hard to predict? A. Yes, sir; I cannot do it. I would not say what you might not need in five or ten years.

Q. [By Mr. Q. A. Vinal.] How much grain has your road transported the past year? A. I do not know; our report states; but we transported all we had the means of carrying.

Q. It is somewhere in the neighborhood of twelve or thirteen millions of bushels, is it not? A. I should think very likely, and more too.

Q. You are familiar with the location of what are called the Buckingham elevators, A and B, at Chicago? A. Yes, sir.

Q. Can you state to the committee how much their capacity is? A. I do not now remember; but I should say between two and three millions of bushels.

Q. How much land does it require to accommodate the grain that is carried into those elevators yearly? A. Well, it would require perhaps a strip of land five hundred feet long and, situated as those two elevators are, perhaps two hundred feet wide.

Q. How much grain would you say (I don't suppose you know) was shipped yearly from those two elevators during the season of navigation? A. A great many millions of bushels; I can't tell you how many.

Q. You have, I believe, what you call a first-class elevator at Detroit? A. Yes, sir.

Q. I would like to have you state to the committee what amount of grain you could take into that elevator, if it was worked to its full capacity, from your track, and deliver to vessels in a year? A. Ten millions of bushels.

Q. What is the capacity of that elevator? A. About a million bushels.

Q. [By Mr. Bates.] How much land does that occupy? A. I think it is not quite 150 feet long, and 80 feet wide.

Q. How much standing room is there connected with it? A. [The witness, without answering the question directly, illustrated, by using the table before him to represent the depôt grounds, the construction of an elevator, and said]—In Chicago, they run their car into the elevator, and then run it back. The true way is, to let the car run through, just its length, on to a track upon wheels, and then switch it on to the track on the side of the elevator.

Q. [By Mr. Vinal.] Is it not a fact that the Buckingham elevators, A and B, stand on two small piers, with a dock behind them, and that every car which goes into the elevator would run overboard if it ran through the wall of the elevator? A. I think it would. That is the way they are all built in Chicago; they have not sufficient ground there to run through. The true way is, to have the car go through far enough to swing it from one track to another.

Q. Is it not true that the Chicago, Burlington and Quincy road, the Shore road, and the Illinois Central road, built these elevators? A. No, sir. I think there are two elevators up the river built in the same way as the Buckingham elevators.

Q. [By Mr. Bates.] Do you know how much territory the elevators of the Chicago, Burlington and Quincy road occupy? A. It is not much larger than the elevators stand on; but there ought to be, as I have said, enough to have a movable track outside, on which the cars could run, and be swung back on a track at the side of the elevator.

Q. How many acres have the Chicago, Burlington and Quincy road? A. I don't know how many, but they have quite large grounds. I think their ground stretches from the river back full half a mile, the width, perhaps, of a whole block.

Q. About how many acres are there in the whole piece?—A. I cannot tell how many acres there are. I bought their first ground, it was a quarter of forty acres—ten acres—and we thought it ample then. I think we have bought four times as much since; forty acres in all, possibly. I don't believe there is more than that in their depôt grounds proper.

Q. What is the amount of their business?—A. Their business has amounted to about seven millions of dollars a year.

Q. In tons, about how much?—A. The tonnage is immense; I cannot tell you.

Q. Can you approximate it?—A. No, sir, I don't think I could give a guess; but it is very large. It is fair to say that the cattle they bring in are not brought to that ground at all. None of the cattle transported on any of the roads are brought into the city. The cattle trains all run on one side to the Union cattle yards, outside the city. But all their other business is done on their grounds.

Q. [By Mr. Derby.] How much do you estimate the whole of their land at? A. I can hardly give you an estimate, but I should think there must be more than forty acres in their grounds in Chicago.

Q. Including standing-room. A. Their grounds in Chicago include their standing-room. Their cars stand there. They bought very large grounds.

Q. Have they any land outside the city? A. No, sir; the whole of their land is within the city limits. It may possibly reach over the city limits, but I think not. They bought, I think, about the size of a block. Their grounds would be three hundred feet wide, perhaps, and stretching back far enough to get forty acres, perhaps.

Q. Have they enough for the future? A. I cannot tell you that.

Q. You would not limit it. A. No, sir.

Q. You speak of their not being able to move the freight from the West now. Do you mean that the lines leading out from Chicago are not sufficient, or that they are blocked somewhere on the line? A. Yes, sir, they are blocked on the lines. That indicates that they are not sufficient. They would not be blocked if they could do their business. They have not got double tracks; they have not got track room enough; they are all alike. You take the Pittsburg and Fort Wayne road. It is a single track road with 25 per cent. of the line sidings. They run down to Pittsburg. There they have to pass through a great city. Well, when they get to Pittsburg, which is also a distributing point, they have not track room enough, and it seems to be impossible for them to get it, to enable them to get their trains through. The consequence is they accumulate there very largely and they are blocked at Pittsburg. The Michigan Southern road is not a double-track road; they have a good deal of siding, but when they get to a point like Cleveland, where they cannot get a very large amount of land, -- it is not possible to get it, — they cannot distribute their cars there; they have not room enough. This year they have tried to distribute their cars and make their exchanges in Pennsylvania, at some place outside of any large town. They did not get room enough there, and the superintendent of the New York Central road told me the other day when I was in New York that he had seen,—I should hardly dare to tell how many trains he said he had seen stopped at that place, simply because they could not get through. I think it was eighty trains. It is a very large story; but that is what he told me. If that were a double track road throughout, with sidings at the points where other ends come in so that trains coming in from the side roads and trains going out on the side roads would not interfere with their trains, they could do a very much larger business than they do now. In time they will have a second track and will bring an amount of freight up to the utmost capacity of a double track road. But that is limited, and now the New York Central in order to relieve the difficulties is laying two extra tracks; so that as business accumulates it always outgrows the accommodations of the railroads; and heretofore with all the railroads from Chicago, we have not been able to do the business through the winter.

Q. [By Mr. Bates.] The difficulty is not in the single tracks, but in the want of equipment? A. More for want of double tracks than for want of equipment, for the more equipment they have the worse they are off. But they want more equipment too. They want more tracks to put their equipment on.

Q. [By the chairman.] What is the expense of an elevator per bushel? A. Our Michigan Central elevator, which will hold about a million bushels, cost $200,000. But it was built at a time when money was worth more than it is now. We are building another now, that will cost about $250,000.

Q. [By Mr. Derby.] Does that include the land? A. No, sir; the building will cost about that.

Q. Is the material wood or brick? A. The difference in expense is not very great. We have built our present one about half-way up of brick, and then of wood; boards laid on top of each other and fastened together, which makes as strong a wall as brick, and a little stronger, and then we cover it with slate.

Q. [By Mr. Shattuck.] Assuming that two roads running from the east to the tunnel will find it necessary to use it, should you not say that the proper way would be for the State to retain control and then make such arrangements for the roads as would be just and fair? A. It would be a great deal better if it could be owned by one road, but they should let another road use it, if they could do so without interfering with their own business.

Q. This tunnel has been built by the State, and there are two roads coming from the east that must use it. Don't you think they ought to be allowed to do so? A. They ought to go through, if it can be done. It ought to be made large enough for them to go through.

Q. It would not be advisable for either of the competing roads to get control of it, would it? A. It would be apt to stand in the way of the other in that case.

Q. Would it not be a better way to make it large enough to have both go through, and the State retain control of it? A. I don't think the State can enlarge its capacity simply by retaining it. The question is, whether it can be made large enough to accommodate the business that is to go

through; the fact that the State owns it will not make it any larger.

Q. The Quincy bridge is owned by a separate corporation, is it not? A. Yes, sir.

Q. There is no difficulty in managing it, is there? A. There is only one road running over it.

Q. I know it; but it is owned by a separate corporation, and they provide for the best mode of using it. A. There is only one road that runs over it—the Hannibal and St. Joseph.

Q. Would it not be better, in your judgment, to have one party control that tunnel, but put it under such regulations as would secure the most efficient management? Is not that the fairer way? A. One party must necessarily control it. Whether it be the State or a railroad, one party must have the control of the tunnel, the police of it.

Q. Then, if there are two competing roads coming there, would not the fairest way be for the State to control it, seeing that one party must do it? A. Well, I will tell you what I think about the State owning it. I think the State will try to make it profitable,—try to make it pay upon the investment they have got there. They can only do that at the expense of the road and the business that goes through it. If the State owns it, and attempts to make it pay as an investment, they must charge a very high toll, which will drive away business, just as the toll over the bridge at Albany did, and it will stand in the way of the success of the route.

Q. You may assume that the State will look out for the interests of the traffic that comes there, as well as the interests of the Commonwealth; but assuming that there are to be two competing lines coming from the east to the tunnel, and assuming also that the State will manage the tunnel judiciously, is it not the best way for the State to retain the control? Can you fairly, in justice to the other roads, give this tunnel over to the control of one of two competing roads? That is the question. A. Well, sir, it is a pretty difficult question to answer. My experience of State management of these things leads me to believe that the first consideration with the State will be to look after its own interests, and the second consideration will be to look after the interests of the roads. I have hardly ever found a State manage these things as an individual corporation owning them would do. It might, perhaps, in this instance; I would not say that it would not. The tunnel being a very long one, and there being no possibility that another should be built, I would not say that the difficulty would be so great that the State should part with it; but I honestly think that if it does not belong to a great through route you will have a great deal of difficulty.

Q. [By Judge Thomas.] If one consolidated corporation managed the road, and the Commonwealth regulated the toll of the tunnel? A. I do not believe it would work, sir. I think it would work against the route.

Q. [By Mr. Shattuck.] There is no harm in trying the experiment, I suppose? A. No, sir.

Q. [By Mr. Derby.] The State of Michigan, if I recollect, once owned the Michigan Central? A. Yes, sir.

Q. I want to ask you, in the presence of the committee, how the thing prospered under the State management—whether it was a success or a failure? A. A total failure, sir.

Q. Won't you explain that to the committee? A. I don't know whether human nature is the same in Massachusetts as in our country, but it was managed by politicians, and it was found that politicians could not run a railroad.

Q. That was well ascertained? A. Yes, sir; and the result was the State became so thoroughly dissatisfied with it that it passed a law ordering it to be sold.

Q. And a private corporation was organized to buy it? A. Yes, sir; and they have run it ever since, and made it a first-class road.

Q. [By Mr. Crane.] How soon will the tunnel be completed under Detroit River? A. I cannot tell you. We are meeting with great difficulties. I cannot tell you it will ever be completed. I wish I could, but I cannot.

Q. [By Mr. Derby.] what is the difficulty? A. Our difficulty is quicksand. We may be driven to a bridge.

Q. You will have one or the other? A. Yes, sir; one or the other is absolutely essential. We cannot live without it.

Q. [By Judge Thomas.] How long did the State retain the management of the Michigan Central? A. They began in 1836 and they worked it until 1846.

Q. Was it under the control of the State until 1846? A. Yes, sir.

Q. [By the chairman.] What was the general plan adopted by the State to run the road? A. They appointed what we call railroad commissioners, with power to take charge of the road, operate and manage it.

Q. Were those commissioners appointed by the legislature? A. I think they were nominated by the governor and confirmed by the senate.

Q. Do you know how many commissioners were in charge of the road? A. We began with three roads, and there were three commissioners, one for the Central, one for the Southern, and one for what we called the Northern; and the three commissioners together constituted a board to operate and manage the road.

Q. Those being three through lines? A. Intended to be through lines. They were not then finished. There was no through line in the State at that time. Indeed, there was no road which could be called a through road in the whole West then. Everything was fragmentary then. They have been finished since and become through lines. There was no through line in New York, in Ohio, or anywhere else.

Q. [By Mr. Derby.] How was it with the other lines? A. That whole system was the same. They were all ordered to be sold, and were sold in 1846.

Q. And then speedily improved, after they were sold? A. One was sold to the Southern road, and is now the Southern road; one was sold to the Michigan Central, and is now the Michigan Central; the other is what we call the Port Huron and Owasso, or Lake Michigan road, and is not finished through.

Q. [By the chairman.] Was the failure owing to bad management, or was it because the country was not developed sufficiently to give the roads business? A. The Michigan Central road, the first year it was taken by the company, paid 14 per cent. dividends.

Q. [By Judge Thomas.] What did it pay under the last year's management by the State? A. It never paid anything.

Q. [By the chairman.] What was its capital? A. The capital was the same. No, I can't say that; I would not say that. The State sold it for two millions. It was then finished about one hundred and fifty miles. Up to that time it had been managed by the State. It was a flat railroad, and had been worked and worn out practically. I do not say that the State did not make a profit on it; they never had made any dividend. Of course if there was any profit it went into the State treasury. But the road had been worn out, and the State had become unable to keep it and maintain it. They sold it to the Michigan Central, and the first year they paid fourteen per cent. dividends (as I know, for I happened to have some of the stock) on two millions, with the same length of road. I do not say that the State did not make money; I don't know. What I do know is this: they failed to keep up the road. It ran down; it was worn out; the State failed on its public works, and was compelled to sell the road.

Q. Were there any other roads running in competition with that road in the State of Michigan? A. They could hardly be said to be in competition at all. The Southern road was built across the State in the same direction, but it was forty miles off, so that it did not affect the local business, and it was all local business then.

Q. You have some knowledge of the Chicago and St. Louis road? A. Yes, sir.

Q. Did not that fail as a private enterprise? A. Yes, sir. Mr. Henry J. Dwight of New York undertook to build that road.

Q. Have not other roads, built by private enterprise, failed? A. Yes, sir.

Q. What was the population of Chicago in 1846? A. Seven or eight thousand.

Q. [By Mr. Bates.] What is it now? A. Three hundred and fifty thousand; perhaps four hundred thousand.

Q. [By Judge Thomas.] Can you state to the committee any case of the successful management of a railroad by a State? A. I have never known any instance of such management. Missouri undertook to do it; Illinois undertook to do it. The result in the State of Illinois was that it spent fifteen millions of dollars, and never got a mile of railroad done. The State of Missouri spent about thirty millions of dollars altogether. They finished the Missouri Pacific half way, perhaps, to Kansas City, and then they put it into the hands of private individuals, who put their money into it and got it through. They undertook to build the North Missouri road, spent six millions upon it, and then sold it for two hundred thousand, which was equivalent to giving it away. They undertook to build the Iron Mountain road, which they also gave away. The result was, that after spending thirty millions in building various railroads, the only one which they realized any money from was the Missouri Pacific, which they sold for—I do not know how much, but it was a comparatively small amount. The other two they practically gave away, for somebody to take and finish them.

Q. [By the chairman.] Did they not sell them before the business was developed? A. They sold the North Missouri four years ago; they sold the Missouri Pacific a little longer ago than that. St. Louis was a city of three hundred thousand people when they sold these roads. They were roads running to St. Louis.

Q. [By Mr. Derby.] You have met with no instance of State success in the management of railroads? A. So far as I have known, the result has been universal failure where a State has undertaken it. I think I have known some northern States where it has been undertaken with the same result.

Q. How was it in Pennsylvania? A. The same.

Q. [By Mr. Crane.] Under the management of the Michigan roads by the commissioners, what method was there by which parties having claims against the roads or the commissioners could prosecute them? Could they be sued? A. No, sir; they were dependent upon the mercy of the commissioners. They had some discretion in such cases.

Q. That has been the case in all other States where the State has tried to manage a railroad? A. So far as I have known, it has.

Q. [By Judge Thomas.] Has a State ever given a right of action against itself in such cases? A. I have never heard of such a case. I think the State of Missouri, on the whole, made money. After losing their thirty millions, they got their roads finally into good hands, they were built through, and have developed the State to an immense extent. At the time when they spent their money, nobody else would. I think the State of Massachusetts will make money through the expenditure on the tunnel. Although it may not get very much money back for it, still I think it is a great thing for the State.

Q. [By the chairman.] What capacity of elevator would you build in Boston? A. I think an elevator in Boston holding 800,000 bushels would contain all the grain you would accumulate at any one time. You will keep shipping from it, and 800,000 or 1,000,000 bushels would be all you would accumulate. Grain passes through an elevator almost as fast as you can put it into it.

Q. [By Mr. Derby.] Would it not remain a little longer than it does at Chicago, waiting for orders or for vessels? A. No, sir. I think it remains in Chicago longer than any other place I have known. They put it into an elevator, take their receipt for it, and go on the exchange and buy and sell. Sometimes they let it remain three months.

Q. How long on the average should you say it remains? A. During the winter months the elevators get filled up. In summer it does not remain at all. It goes in and out just as fast as it can, and goes into vessels. They have been compelled to let it remain there in the winter because they cannot get it away.

Q. [By the chairman.] On account of the lack of railroad facilities? A. Yes, sir; they cannot get it away.

Q. In the summer they have water facilities combined with railroad facilities? A. Yes, sir; in summer they can keep them clean, and then it goes through just as fast as it comes in.

Q. [By Mr. Coffin.] Can you give the cost of shipment to Buffalo by the barge system which has been recently adopted? A. They have never tried it for grain. Everything goes by rail or steamboat from Chicago. The barges are not used on the lake for grain. I can tell the price for grain generally. The shipping interest can carry grain from Chicago to Buffalo at five cents a bushel, and make money. This last year they have charged eighteen cents a bushel. Five cents will give them a good profit, but this last year, during the whole season, they have charged about eighteen cents.

Q. [By Mr. Derby.] Which is the most important shipping port on Lake Ontario? A. Oswego does the business on Lake Ontario almost entirely.

Q. Nearly all the business on the lake, does it not? A. Yes, sir. I don't say that other places might not do just the same business, if they had the same railroad connections; but Oswego does it now.

Q. [By Mr. Coffin.] What will be the probable effect of the enlargement of the Welland Canal and of the connections with the St. Lawrence, to Montreal, in sending grain beyond Buffalo? A. If they could get a connection down the St. Lawrence, and the means of carrying grain out in large vessels, there would be immense quantities go that way. The difficulty now is, that no vessel of any size can go through the Welland Canal, and no shipper can afford to ship from the West to Europe by that route, because the cargo is too small; the expense would be too large in proportion. If they could ship in large vessels from the West to Liverpool, the grain would go out that way. That is what I have been trying for many years to accomplish, by getting a ship canal around the Falls of Niagara, on our side, and getting the Canadians to enlarge their canals. Whether it will ever be done I do not know; but if it is done, a very large quantity will go that way.

Q. If the Caughnawaga Canal were completed, what would be the effect in bringing grain to that route? A. I do not know enough about the outlet on Lake Champlain, this way, to be able to say. I do not believe it would bring much grain that way. It would have to go down Lake Champlain into the Hudson River, I suppose.

Q. It can be brought to Burlington, within 223 miles of Boston, and then taken by rail; or it can go to Ticonderoga, within 201 miles of Boston? A. I don't think you can accomplish much in that way. I think grain is coming to New England in cars that will take it at Chicago and bring it to the point where it is to be shipped, without change. It does now, to an immense extent.

Q. [By Mr. Crane.] If we have a double track line of railroad from Boston to Lake Ontario, thence along the shore of that lake to Niagara River, in connection with the Great Western road of Canada, thus forming a direct connection with the Michigan Central,—with such a line of railroad, under one president, one superintendent, and one board of directors, what, in your judgment, would it earn upon the investment, allowing it to cost $105,000,000, as against $204,000,000 by the New York Central? Taking that line at half the cost, under one management, coming from Chicago to our wharves here, is there any question in your mind in regard to its paying a large percentage on its cost? A. The Michigan Central earns about $5,000,000, the Great Western not quite so much; say $10,000,000 for both roads. The distance is five hundred miles. How far is it from Chicago here, by the route you mention?

Mr. Crane—The whole distance is about 980 miles.

Mr. Joy—Well, with a good road it would earn from twenty-five to thirty-five millions of dollars;—if it was a good road, well equipped and kept in good order.

Q. What per cent. would it probably earn on its cost, well managed? A. It is impossible for me to say. I can't tell what it would cost. The cost of a railroad depends upon various circumstances.

Q. Would it earn as much as this parallel line to New York city, the same distance? A. I think it would.

Q. Do you know what the capital stock of the New York Central and Hudson River Railroad, the Lake Shore, and Southern Michigan, to Chicago, stands at? A. Very nearly two hundred millions.

Q. Provided our line shall cost, when completed, one-half that, the same distance to Chicago, what will it pay? A. Oh, it will pay a great deal better, of course.

Q. Can you tell the number of tons of freight that now comes from the West to Buffalo and crosses the bridge at Albany, coming east? A. I cannot tell the number of tons; I have not looked at the statistics.

Q. Suppose our double track road from here to Niagara River were so built that we should turn the business of the entire west and south shore of the lakes into this line, near Buffalo, in addition to that which we should get from Chicago, would it not become a line of great strength? A. It would be a line of immense strength, of course, if you could accomplish that.

The Advertiser.

SATURDAY, FEBRUARY 15, 1873.

Hoosac Tunnel Consolidation.

The subject of consolidation for the operation of the Hoosac Tunnel line, has engaged the public attention during the past week in an extraordinary degree. The subject has been under discussion, more or less elaborately, at the meeting of the Board of Trade on Monday, at the annual meetings of the Vermont and Massachusetts and Boston and Albany Railroads, on Wednesday, and before the Committee on Railroads at the State House every day in the week. There are now distinctly before the public three methods for effecting consolidation and securing the most complete and efficient operation of the line: these are a consolidation under State management; consolidation by the Fitchburg, Vermont and Massachusetts and Troy and Boston Railroads, and consolidation by a union of the Fitchburg and Lowell companies with authority to lease or purchase the roads of the other parties in the line. Each of the methods has its advocates, and they all profess to desire the consummation of the best and wisest plan. The proposition for the State to take and run the line has some very strong advocates, and among these the Railroad Commissioners, but it can hardly be said that it meets with any considerable degree of public favor; and to say the least of it, it is not probable that this plan will be adopted by the Legislature; and it is equally uncertain what disposition will be made of the tunnel itself.

The second proposition for the union of the companies in the direct line—if it were a perfectly practicable plan and included the means necessary for the accomplishment of the great object in view,—would stand much stronger than it now does in the public mind and before the Legislature; but it is apparent that such a consolidation would be inefficient, and wholly unable to meet the necessary outlay for improvement, enlargement and extension of the lines, and utterly unable to provide the necessary terminal facilities at this end of the line, without which its success will be impossible. A consolidation of the Fitchburg road with the others, with a just regard to the interests of its stockholders, is deemed impossible.

The third proposition is for a consolidation of two strong companies, with authority to lease or purchase all the other parties having an interest in the line: this will consolidate the line as desired, place it under one management, and afford ample means for all extensions and improvements on the line and at either end of it. This combination will save the expenditure of a large sum of money by the Commonwealth or the Fitchburg Company, will secure efficient management of the line, and the possession of the best terminal facilities which Boston harbor can afford. No one doubts the ability of the Commonwealth to manage the line, if it be thought good policy for the State to engage in this kind of business, but the mass of the people think it had better be left in the hands of private corporations, as is the case with other large business matters. The advantages offered by the consolidation of the Fitchburg and Lowell lines are so great, that the proposition has gained strength every day that it has been before the public, and is undoubtedly the best means of obtaining what all parties desire—a competent, efficient and reliable line.

In addition to these considerations the consolidation proposed will avoid the most objectionable feature in the railroad system of Massachusetts—the half dozen railroad crossings in this city in the neighborhood of the Prison Point bridge, the importance of which the people of this city are well able to judge. No other feasible plan has ever been devised for the removal of this very objectionable feature. More than one thousand dangerous crossings, to say nothing of the detentions, per day will be avoided. To accomplish this great object the Fitchburg trains will run into the new Lowell station, the Eastern will occupy the present Fithburg station and the Maine will probably purchase the present Eastern. This accomplished and a through western line of commanding ability, with one or two lines of European steamers, who shall say that Boston is not on the high road to prosperity and greatness.

W. W. W.

The Advertiser.

SATURDAY, FEBRUARY 22, 1873.

Lowell and Fitchburg Railroads.

The subject of consolidating these two companies for the purpose of operating what it is hoped will become a great through line to the West, is still before the railway committee of the legislature. During the past week a large amount of evidence has been given to the committee in relation to the subject by Gen. Stark of the Lowell corporation and Mr. Stearns, President of the Fitchburg road, and it appears that these two gentlemen are entirely agreed in their views as to the importance of the consolidation proposed. They each regard the measure as not only important but absolutely essential to the success of the proposed through line. These two companies can alone furnish the necessary amount of capitol to be expended, the proper terminal facilities for passengers and freight, and by their united strength command that degree of success not to be attained by any state control or less efficient combination. Together and including the lands and wharf property of the Lowell road in Mystic river, the two companies have about one hundred acres of available land for the accommodation of the business of the consolidated line. The Mystic river lands are the best adapted of any lands on the harbor for the foreign trade and four large ocean steamers may load at the wharves of the company at the same time. If the proposed consolidation shall take place, an immense elevator calculated to hold one million bushels of grain, will be immediately commenced on the Mystic river lands

W. W. W.

COMMITTEE HEARINGS.

THE HOOSAC RAILROAD CONSOLIDATION.

The ninth hearing before the railway committee was given to Mr. Charles Francis Adams, one of the railroad commissioners, who presented the views of the board upon the subject of consolidation. Assuming that a large business was awaiting the completion of the Hoosac tunnel, he at once offered to the committee, and asked immediate action upon the following resolution, which had been adopted by the board:—

Resolved, That the governor and council be requested to ascertain and inform the legislature, as soon as may be practicable, upon what terms, if any, the Commonwealth can purchase all the rights, titles, property and franchises of the Fitchburg, the Vermont and Massachusetts, and the Massachusetts Central Railroad corporations; and further to ascertain and report what legal measures it would be necessary or advisable to take to enable the Commonwealth to assume possession, under any powers reserved to it by law or under the right of eminent domain, of the roads, properties and franchises aforesaid, with estimates as to what would be the probable cost to the Commonwealth of so doing.

Mr. Adams then assumed two other things: That a united corporation to run the tunnel line of railroads is absolutely necessary, and that all discussion of the details at this time is premature. Both opponents and friends of the State ownership of railroads agree that some sort of regulation is needed. The opponents claim it should be by statute law, but Mr. Adams claimed that statute law frequently fails to remedy evils it is aimed at. There had been a great deal of cant, he said, in the arguments, sentiments and statistics in relation to production, and the trade demand that would naturally follow that production. A great deal had been said in relation to railroad and cotton-mill corporations as being in some degree identical in principle. He could see no similarity in the sense claimed. He did not believe it was possible for a government to own and operate all the railroads of a country. Healthy competition was all it was required to create for the benefit of the people, which was all that the Belgian system amounted to. The opposition set up a cry that there would be great corruption the moment it was suggested that the State should take possession of a railroad. Yet there was nothing so injurious as the present system of supervision and regulation of railroads. It led to the increase of the lobby and other corruptions, urged on by the belief of stockholders that they must own the legislature in order to save their property. The legislature would hardly be able to preserve the least grain of its independence did it meddle with the affairs of cotton, gas, water and other corporations; fortunately its supervision had thus far been confined to railroads. There was no corruption in the school system, where government had the ownership as well as the supervision. So long as private corporations were chartered to do railroad business, they had a right to say that they would not carry freight and passengers at a loss. Two years ago the railroad commissioners recommended that the State should own the Hoosac tunnel lines. The reasons were plain. The combination needed a larger capital, which the State could furnish. It needed a competent management, which the State would give them. It was argued that the Lowell Railroad possessed the only terminal facilities and must consequently be taken into the combination. Mr. Adams said that the Fitchburg Railroad and he Commonwealth combined could furnish terminal facilities, in comparison with which those of the Lowell Railroad were insignificant. The State could take the site of the State prison, and even the navy yard could be had in twenty-four hours after Congress knew it was wanted. The Boston and Lowell corporation could not accomplish anything nearly so stupendous. Their proposition was mere rubbish in comparison. It had been asserted that the State, by running a through western railroad, would sweep out of existence corporations that had been built up at great expense. This was a great fallacy, for if the State system paid, the private systems would be changed to conform to it. If the State system did not pay, the people would refuse to be taxed for it. So private corporations would be the gainers in either event. Reference was made to an English blue book, and extracts were read in support of the view taken. The State should operate the least possible amount of railroad property that would secure the result of competition as a means of regulation throughout the community. He believed in consolidation, as against the separate and necessarily quarrelsome operation of four distinct, yet connecting roads, which latter was simply suicidal. These little lines had no money to accomplish what was required of them, even if they had the brains to understand what was wanted of them, which he very much doubted. He believed that the railroad system of Massachusetts would eventually be divided between six corporations: the Boston and Maine and the Eastern Railroad would make one road to the northeast. The Boston and Lowell and great northern railroads would make another large enough to satisfy the ambition of any common man. The Fitchburg road and its connections, the most commanding of any, stretching to the Pennsylvania coal fields. South of this the Boston and Albany road with its immense business. Further south the Boston, Hartford and Erie, which must some day swallow up the Boston and Providence, and stretch across the Hudson into another line of coal fields. And southeast of these the Old Colony Railroad, standing best and finest of them all. The State should own but one of these lines, and by that ownership they would control the rates on all the rest.

Mr. Hunt of Arlington then read a paper, the contents of which created much merriment. In it he stated that he wished the Lowell Railroad to confine itself to its legitimate business of bringing grain to Boston from Ogdensburg, to prevent that commodity from going to Europe by way of Portland; then if it had any money to spare, it could help the State out in completing the Hoosac tunnel, a thing which it had not yet attempted to do.

Mr. Derby added a few words in commendation of the Lake Ontario Shore Railroad, which he said had been described as running through a perfect garden, and which would be partially built during the coming summer. He read extracts from Herapath's Railway Journal of London, in favor of consolidation, and quoted from a speech delivered by Sir Edward Watkyn, before the Manchester chamber of commerce, in which that gentleman decidedly opposed the running of railroads by the government.

[The testimony of James F. Joy, a brief abstract of which was given yesterday, is presented in full this morning in another part of the paper.]

PRESS AND POST.

THURSDAY MORNING, FEB. 13, 1873.

Argument of Col. George.

The universal interest manifested in the timely plans that have been proposed for making the completed Tunnel fully and permanently serviceable to the State, is the best evidence of the great importance of this enterprise to the increased prosperity of Boston and the Commonwealth. It was upon that broad basis that Col. George argued for the consolidation of the Lowell and Fitchburg roads before the Railway Committee of the Legislature. The Tunnel is the hyphen that is to connect the West with tidewater. To be properly operated, sufficient ready capital and experience in railway administration must be provided on the instant of its completion. A road must be established that will answer to all the pressing requirements. Then there must be provided adequate terminal facilities. Finally, the equipments must be ample and in all respects first class. And the whole must be directed and operated by a management whose past experience will be a sufficient guarantee of success for the completed enterprise. All these features are demanded in combination, if the Tunnel is to become a highway for trade and commerce, in the interests alike of Boston, the State and the West. As for the State's undertaking to engage in railroad business, it is an idle proposition; if it could command the ready capital without any opposition from tax-payers, it has no experience in the business itself, and would have to farm out its interests to individuals of whose management it could predicate nothing at all. Men notoriously call different faculties into action when working for themselves from those whose service they devote either to the State or nation. From the day that the stimulus of individual and corporate interest in the Tunnel route ceased to be felt, might be safely dated its failure as measured by the standard of its original conception.

Were there no other reason remaining to discourage the scheme of State management, recent revelations in the National Legislature are of a character and number to decide the matter adversely; and the canal experience of various States brings no testimony to the support of such a plan; which would prove as inefficient as it would wasteful. In order to lay a road through the Tunnel that shall begin to answer to the immense and rapidly-increasing demands of transportation between the far interior and the seaboard, and still shall successfully stand the competition of the other great central lines across the State, it would require an outlay estimated at from three to five millions. Of this sum the Fitchburg road can to-day show a capital of four millions, with a double track and first-class equipments; and if a consolidation with the Lowell road were to be effected, the joint capital, added to that of the two interior roads which it is proposed to absorb, would be equal to all the demands which a through road to the West would inevitably make on any corporation. Experiments do not need to be repeated to show the fatal mistake of constructing a railway on the credit of the business it expects; the business rarely comes because of the very embarrassments incurred in discounting its profits. It is the ready capital, and the road that is thoroughly equipped and paid for, that has every advantage; and where, as in the present case, competition is to be expected from the start, it cannot be asserted that it will be successfully met if the new road comes into operation with a debt-freight heavier than that of its expected transportation. Then the question of terminal facilities happens to be one of not less moment and marrow than that of the Tunnel; the latter is of importance only as it can be made adequately serviceable, and that depends directly on the freight room, docks, elevators, and other similar equipments at tidewater. The base of the problem is really here at Boston.

How are these required terminal facilities to be secured? The question at last narrows itself down to this point. It is, in fact, preliminary to all the rest. The tidewater property of the Lowell road is perfectly well known—thirty acres of unsurpassed water front, a splendid passenger depot, a wharf property of ten acres, intimate connection between the wharfs and the main trunk, with but two roads to cross at grade, and an elevator already erected. All this invaluable terminal property is ready for prompt development, so as to meet every demand of a new highway to the West. The Fitchburg road has certain facilities in Boston, and those of great value, but they are admitted to be entirely inadequate to the immense demands which will be made by the road when completed by consolidation. So that not only the question of utilizing the Tunnel, but that of consolidation also, depends for its proper answer upon the procurement of adequate terminal reinforcements. Without these, the whole enterprise would be, metaphorically speaking, without feet to stand upon. It is as a grand feeder of ocean commerce that the Tunnel Route to the West is counted on to increase the prosperity of the city and State. The freight will neither come nor go, unless there are elevators, yards, wharves, docks, freight-houses, and like facilities for receiving, is necessary as soon as completed. Even in the full grand enterprise. It has cost money to bring to the stage of ... careful management to develop the Lowell and ... to the point at which they may be unitedly serviceable in making the Tunnel an immediately valuable property; and now the time has come for a complete junction of all the forces, in order to push forward the same line of development to its uttermost possibilities, on behalf alike of the State, the city and New England.

BRIDGE VS. TUNNEL.

The Question of the Movement of Freight Over the Detroit River Considered by the Detroit Board of Trade.

From the Detroit Tribune, Jan. 30.

After the noon tranactions at the Board of Trade to-day, the Board was called to order by the President, Mr. C. M. Garrison, and the Committee appointed on Tuesday last, relative to the probable failure of the tunnel under the Detroit River and the prospective building of a bridge at or near this city, submitted the following report:

The Committee appointed on the 28th inst. to examine into the probability of the completion of the Detroit River Tunnel, and as to the practicability of bridging the river at this point in the event of the failure of the tunnel, respectively report that they have had quite an extended interview with the President of the Michigan Central Railroad, and have ascertained the following:

First—That the small trial tunnel, preparatory to the main tunnel, is not yet half completed, and that almost insuperable difficulties, in the shape of quicksands, spongy earth, etc., render the completion of the main tunnel a matter of great doubt, and that, in any event, at least five years will be consumed in its building.

Second—That a bridge can readily be built at one-third to one-half the probable cost of a tunnel, and within one year from its commencement, and that, with two draws, very little, if any, inconvenience would be encountered by passing vessels. That with a properly constructed bridge, at no time during the year would any accumulation of freight be necessary at this point.

Third—That at this time there are at least 2,000 cars on each side of the river awating transit, and at 75,000 bushels of grain in elevators awaiting shipment by cars.

The Committee would suggest that these facts appeal directly to every interest we represent, and would remind the Board that by great effort and great expense we have at last succeeded in bringing to completion several new important railroad connections with the South and West, which not only promise, but already give us, largely increased receipts of produce, which we really cannot handle during five months of the year when we are virtually imprisoned, and that without more facilities of outlet our efforts towards new rail inlets will be entirely futile.

In brief, that the more easy and certain passage of the Detroit River at this point has become a vital necessity, not only for our own interests but for those of the State, and, as we think, of the whole West. Our first choice has been and is a tunnel, and the previous action of this Board with reference to a bridge was based on that preference, but in view of the facts above set forth, we would recommend for your adoption the following:

WHEREAS, The commercial interests of not only Detroit but of the whole Northwest for years past have been seriously damaged during the winter months by the great difficulties experienced in the passage of cars across Detroit River, frequently entailing enormous accumulations of freight on either side of the river, and

WHEREAS, We are informed by the best authority that there are great doubts as to the successful completion of the tunnel under said river, on which we have so confidently relied for relief, and that if completed at least five years will be consumed in its building, and

WHEREAS, We see no other possible remedy for the embarrassment we labor under, and a more rapid and sure means of transit across said river is becoming constantly more necessary,

Resolved, That this Board of Trade earnestly petition Congress to pass a bill authorizing the construction of a bridge across Detroit River at such point near this city as may be found most desirable, and by its provisions guarding the interests of commerce.

On motion of Mr. T. P. Hall, the report was accepted and adopted unanimously. This shows a decided change of feeling relative to bridging the river, and this change is fully explained by the report of the Committee. Some months since considerable opposition was manifested to the proposed bridge at Trenton, but the fact that freight has accumulated here to so great an extent, and that railroad facilities in this State centering in this city have greatly increased in the last year or two, and demand an Eastern outlet during all seasons of the year, have brought about the change of view. Besides a number of vessel-owners were present, and disproved of the report of the Committee, which was unanimously adopted.

Boston Times.

BOSTON: FEBRUARY 16, 1873.

OFFICE, 12 SCHOOL STREET.

Hoosac Tunnel Consolidation.

Persons who run and do not read must have been able to see during the past week how largely the public, and especially the business portions of the community, is interested in the Hoosac Tunnel consolidation. The newspapers—no longer the *brief* chroniclers of the times—have engaged liberally in the discussions of the subject and of matters connected with it, and the material is not yet exhausted. The Board of Trade have entered the arena and propose to spend a day or two more in the consideration of the subject, with a view no doubt of presenting the result of their deliberations, whatever they may be, to the Legislature. We find no fault with this. The Board of Trade have as good a right to discuss this subject and volunteer their advice to the Legislature as the newspapers have, and the chance is that such advice may be equally well worthy consideration, at least until some of the newspapers have reached opinions to which they may think it worth while to adhere.

Immaculacy of anybody is a thing not admitted in this country, so that whoever counsels the Legislature unasked, must expect to have the motives of their action as well as the soundness of their conclusions carefully examined. One thing in regard to the action of the Board of Trade is pretty apparent, namely, that they are quite as much at variance in opinion among themselves as any other portion of the community, and probably this will be shown in thier final action next Monday; so that their advice will hardly be conclusive even as to their own judgment. In such bodies where final action, whatever it may be, is inoperative, it sometimes happens that numbers are on one side and wisdom on the other.

With regard to the newspapers, during the past week, our judgment is that they have partially consolidated on the subject. No one of them, as we now understand, is in favor of the first-proposed consolidation, with or without the Tunnel, and such as looked with disfavor upon the Lowell and Fitchburg consolidation have modified their views and now commend a strong consolidated line. The more the subject is discussed in the Board of Trade, and by the newspapers, the stronger will appear the reasons, not to say the absolute necessity, for the consolidation of the Lowell and Fitchburg Companies.

A good deal of urgency has been manifested before the Railway Committee, especially on the free day, (Thursday,) when the citizens were heard that the Commonwealth should take the whole line connected with its tunnel, by purchasing of the other parties or taking possession under the reserved powers of the Legislature, and run it as a sort of model institution for the benefit of all other roads and for their government; and at the same time bring about the greatest possible reduction of rates for passengers and freight. This last it could effectually do, because it would not have dividends to pay! One objection to this plan is, that to take the Vermont & Massachusetts Railroad, except by agreement, that road, under the law of cost and ten per cent. interest, would cost over $200 per share, while the stock is selling for about $80.

The questions of political corruption and partizan influence were pointedly referred to and freely discussed. It was fully made out on one side that there was great danger of corruption, favoritism, bad management, a ring or two; and on the other, that nothing of the kind could occur or need to be feared, from the State or its selected agents. Experience elsewhere of such things, which is supposed to be very much on one side, was entirely ignored by the advocates of State management, and held up as an admonition and a warning by those opposed to State control. If Massachusetts should attempt to do what it is alleged Belgium has done—considering the people, the country and the circumstances—it would be hardly possible that she would secure the same results.

Politics and party are not mixed up with administrative affairs and State matters in Belgium, as they are in Massachusetts, and the difference in these circumstances will be sure to make a difference in results. It certainly does not seem very likely, notwithstanding the urgency with which the subject is presented, that Massachusetts will go into any such magnificent enterprises. It is a noticeable fact that the thing is urged upon the Commonwealth as an experiment worth trying; and one gentlemen thought that the more burdens you put upon the Commonwealth to perform for the people, the better; the more employed the better employed. And another gentleman suggested that the Commonwealth might run the Quincy Market, or at least the Brighton Market, and use its influence to reduce and regulate prices, like the man out West who would neither buy or sell corn, whatever the conditions of supply and demand, at a higher price than 25 cents per bushel, on the ground that that was all it was worth.

Amidst all this variety of discussion and suggestion, the merits of the question of consolidation, one way or the other, remains unchanged. All parties are agreed about some of its conditions, and although the argument is continued in relation to them, they have in fact been admitted from the beginning; some of them were set forth in the Governor's inaugural address, in which he berated and slurred the whole line, and suggested to the Legislature that it might be necessary to resort to its reserved powers against the several corporations—which we don't mind saying was a little undignified. It is conceded on all sides that consolidation at least within the limits of the State is desirable; that some millions of dollars must be expended on the railroads in the purchase of locomotives and cars, in the preparation of ample terminal facilities, and means adopted to secure in some way one or more lines of steamships for the conveyance of western provisions and grain to market. It has not been too strongly stated that there is an inexhaustible supply of grain and produce in the West, and an unlimited market on the other side of the Atlantic Ocean.

The points which we have mentioned being admitted, we have now to ask how shall consolidation be consummated so as to secure the millions of dollars for improving and doubling the present trade, for purchasing some two hundred locomotives, and several thousand cars, for the operation of the extended road, and for providing the ample elevators and terminal facilities desired and necessary? Shall the State do it? Shall the Fitchburg and the Vermont and Mass. roads do it? Or shall the Fitchburg and the Boston and Lowell do it? The State does not propose to do it only in case of the failure of some proper plan. The Fitchburg and Vt. & Massachusetts cannot do it on advantageous terms, if indeed they can do it at all; but, as compared with the last named plan, this would require beyond that an expenditure of money, the interest upon which would not be less than one million of dollars—and this would lead to a damaging, if not ruinous system of competition, between the consolidated lines and the B. & L. Railroad; all of which would be enormously expensive to the people of the Commonwealth, who would ultimately have to pay every dollar unnecessarily expended, and all the losses that would result from competition and rivalry sure to follow.

On the contrary, let the Fitchburg and Lowell consolidate, and we then have a strong and wealthy company, in good credit, standing on a good basis, doing a good business, able at any moment to command the means required in this country or in Europe; having already a large rolling stock, and having the most desirable terminal facilities to be obtained in Boston harbor for the location of elevators and for shipping purposes—all this without a new expenditure, so far as these advantages go. W. W. W.

Consolidation of the Fitchburg and Boston and Lowell Railroads—Adjourned Hearing at the State House—Gen. Stark on the Witness Stand.

The Legislative Joint Standing Committee on Railroads gave an adjourned hearing this forenoon on the petition of the Boston and Lowell Railroad Company for an amendment to the charter of the Great Northern Railroad so that the Fitchburg Railroad may be included among the roads to be consolidated.

Previous to entering the main topic, Prof. Chadbourne of Williams College was given an opportunity to express his views on the general subject of consolidation of the Tunnel lines. He stated that he appeared as a representative of the remonstrants in the western part of the State against selling, leasing or disposing in any other way of the Hoosac Tunnel. He then proceeded to argue that mere competition would not give the people cheap freights, the effect of competition being to give cheap freights at the termini where the competing roads come together, while intermediate points were charged high rates. And the people of Adams, Williamstown and other places feel that they would fare better if the State keeps the Tunnel than if it should be given up to some railroad corporation.

Judge Hoar appeared as counsel for the petitioners, and referred to the fact that as an incidental part of the scheme for consolidation an interchange of passenger stations in Boston by the Fitchburg and the Eastern railroads, thereby doing away with the crossing of those tracks at grade. He stated that he understood that the Boston and Maine Railroad had no objection to the main proposition, but desired to be heard in regard to the details.

Mr. Charles F. Choate agreed with Judge Hoar's statement, but added that if the interchange of depots was effected the Boston and Maine road desired to have the land which was taken from them and given to the Eastern Railroad returned.

Mr. W. G. Russell, in behalf of the Eastern Railroad, stated that that road desired a section introduced in the bill compelling, instead of permitting the Eastern and the Fitchburg roads to exchange depots if the consolidation was completed.

Gen. Stark, manager of the Great Northern Railroad, was then called to the witness stand by Judge Hoar. He argued that Boston's present connections with the West are inferior to those of Portland and New York and explained the failure of efforts that had been made to consolidate a through Northern line to the West, thereby making it inefficient as a competitor with the Boston and Albany Railroad. Gen. Stark stated that the Metropolitan Railroad of London runs nine miles underground, the trains going at the rate of twenty-five miles an hour. By the plentiful use of the telegraph no difficulty is experienced in running the road, and he thought the Hoosac Tunnel could be run in a similar manner without difficulty. He suggested that if the consolidation of the Lowell and the Fitchburg roads is authorized, one advantage would be that it could go into immediate operation, whereas if the other projects are authorized, it will take a good while to secure terminal facilities and still longer to get into working condition. If the consolidation is refused, Gen. Stark didn't see how the crossings at grade could be avoided, as two competing roads ought not to be compelled to use the same depot. In response to questions by counsel of various roads, Gen. Stark said that the Chelsea property was purchased and the new passenger station was built with a view to the future increase of business on the Northern Railroad. The plan presented for consolidation contemplates the purchase of the Vermont and Massachusetts and the Troy and Boston roads, the State retaining control of the Troy and Greenfield Railroad and the tunnel. Gen. Stark said he believed the combined terminal facilities of the Fitchburg and the Lowell roads are ample to do all the local business of the two roads and the through tunnel business.

In reply to the committee, the counsel of the Lowell road stated that they understood if the consolidation was authorized the Lowell road would lose the benefits of the special charter under which it now exists.

Judge Hoar read extracts from legislative documents of previous years to show the heavy expense that other plans for obviating the grade crossings contemplated, and he said that by the exchange of depots, as contemplated, the actual cost would be not far from $50 000.

The hearing was then adjourned to 10½ o'clock to-morrow morning.

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BOSTON POST.

WEDNESDAY MORNING, FEB. 19, 1873.

THE RAILROAD CONSOLIDATION.

The Tenth Hearing—Opinion of Prof. Chadbourne—Gen. Stark Before the Committee—What he Thinks of Consolidation—How the Line can be Managed.

Gen. Stark gave a full statement of the case and was cross-examined at great length as to the business of his own road as well as the manner in which the Tunnel line could be operated, and also as to the probable effects of opening the Tunnel. His testimony threw considerable light upon the matter and was attentively listened to by those who were present at the hearing.

PROF. CHADBOURNE'S REMARKS.

Mr Chadbourne said the people of his part of the State were decidedly opposed to allowing the State to do anything in the way of consolidating or allowing any corporation to control the Tunnel, so that the State cannot at any time say to these roads that their charges for freight throughout the State shall be uniform, and not discriminating between the towns at the ends of the line and those near the middle of it. They were willing that it should be secured in any way. They were willing to pay their money, and for it they required the same accommodation that others had. They did not like the principle of averaging freight in order to make a report look well, but wanted it all paid for *pro rata*. He did not believe that any corporation with whom the road might be entrusted would be better able to treat every one fairly than the State could. As for the sale of the Tunnel, the people in the western part of the State held up their hands in surprise at the thought that any one should presume to entertain any such idea. It was wholly out of the question, and he hoped it would not be entertained.

THE GRADE CROSSINGS.

The attention of the Committee was then directed to the special subject of the Boston and Lowell scheme. Judge Hoar asked for some decision as to when they should close their case, inasmuch as he considered that they were then being heard in order that the parties on the other side might have the advantage of all the facts of the case. Judge Thomas hoped he would be allowed to close his own case. The Chairman stated that it was proposed to allow the counsel to make an agreement as to the order in which the closing arguments should be made. After the disposition of that matter Judge Hoar stated that their plan involved the doing away with the grade crossings of the railroads entering the northern part of the city, and an exchange of depots by the Eastern and the Fitchburg. He did not know that there was any objection on the part of any road as to the general plan, but on the details they might wish to be heard. Mr Charles F. Choate, for the Boston and Maine, said if this plan were carried out they would expect to receive back the strip of land, twenty-nine feet wide, which had been given to the Eastern last year. Judge Hoar thought that that would be easily settled, and perhaps the Lowell might give them a little more. Mr W. G. Russell, on the part of the Eastern road, said that they, like the Boston and Maine, had no opinion as to the consolidation; but they had an interest in the crossings, and objected to the section of the Lowell Railroad bill concerning exchange of stations, on the ground that it was not sufficiently explicit and mandatory in its character to effect its object. There would be a great difficulty in agreeing upon price and details, and the Legislature should pass a compulsory law. It was possible, however, that an agreement could be reach beforehand.

GEN. STARK'S TESTIMONY.

Gen. Stark then stated to the Committee his reasons in favor of the consolidation of the Boston and Lowell and Fitchburg roads. Boston was competing to-day, in the matter of Western transportation, with Portland, New York, Philadelphia and Baltimore, at least a thousand miles before they arrived at the country of the West. Portland has a line to Chicago, which is controlled under one management; New York has two lines, one to Chicago and one to St. Louis; Philadelphia has a road under one management practically to the Mississippi river, and in Baltimore they have a road practically to Cincinnati and Chicago. As for Boston, she has a sort of a road, made up of fragmentary parts of railroads and steamboat lines. This Northern line to which he referred had been formed under great difficulties owing to the embarrassments of the Vermont Central, which was, after all, a good road, and the refusal of New Hampshire to grant them the right of consolidation, as well as the poor advantage to which their steamboats could be operated. The result had been a great deal of embarrassment in the management of their business, so that they were not really in position to compete with other lines for Western business. These difficulties led the management to consider what was the next best thing for them to do, and their attention had been called to the feasibility of connecting with the Fitchburg road, inasmuch as they were unwilling to go into a combination with the other roads. It seemed to the Fitchburg that there were financial objections to any union with the Vermont and Massachusetts, and to his mind, these were well-founded. After consultation, it was decided that this bill of the Boston and Lowell should be asked for, in order that between the two lines one might be made which should successfully compete with the Boston and Albany. With the consolidation of the Northern line they had hoped to increase their through tonnage much more easily than their local tonnage, but such had not been the fact. While the local tonnage had gone up from 4,000,000 tons hauled one mile, to 7,000,000 tons, the through tonnage had only increased from 7,000,000 tons to 10,000,000 tons; so with regard to their elevator, which has a capacity of 200,000 bushels, the business has greatly fallen off. There is still considerable business done in it, but from 1870 to 1872 the number of bushels has gone down from 800,000 to 600,000 bushels. In this want of growth of strength they turned to the Tunnel and considered the feasibility of using that as the avenue of Western trade. In view of their expectations of business by the Northern line they had purchased their vast amount of land at Mystic river, in Boston and elsewhere, and erected their new passenger depot in the city. They were ready to do business to the amount of a million bushels of grain, and with their wharf facilities they could accommodate six or seven of the largest size steamers at the same time. The land owned by both corporations and that which the Lowell is empowered to take amounts to about 200 acres, which could be made practicable for terminal facilities, and if this consolidation were consummated it would all be needed, for in addition to the Tunnel line and its extensions the Lowell Company would have to accommodate their present 1000 miles of northern railroad. In order to do business with the West successfully, it was necessary not only to have a line through the State, one-sixth of the distance to Chicago, but to have the control of a line clear through to Chicago, in order to enable Boston to compete successfully with other cities. The Baltimore and Ohio Company, in their last report, report an expenditure of $500,000, expended in running steamers to Europe, and in this way securing a large import trade. Such a principle was the true ground to work upon. If the Fitchburg and Lowell could be united, they could, with their credit, run this line successfully, and control a great Western trade. The plan which he would propose in carrying this out would be to unite first these two roads; then they should take in the Vermont and Massachusetts and the Troy and Boston, and then control the Troy and Greenfield and the Tunnel with such regulation in regard to running it, and giving equal facilities to all the other roads coming there for passage, as the State of Massachusetts might provide. There would not be any difficulty in it at all. Three years ago he had the opportunity to witness the successful operation of the Metropolitan Underground Railway, in London, by the use of the telegraph, and he thought the Tunnel could be operated with as much security as was afforded in that case. The road was nine miles long and had only two tracks, and the trains were run at the rate of twenty-five miles per hour. This plan would also avoid the troublesome grade crossings of the northern roads in getting into the city, and would add greatly to the convenience of the public as well as to their safety. Instead of spending $6,000,000 it could be done for $100,000, and by agreement. If, however, the Lowell and Fitchburg were to continue competing roads to some extent, he did not think either Company would relish their coming in at the same station. With regard to other terminal facilities on Mystic river, there was some land remaining there, but it was of no great value for the purposes of the Fitchburg road. With regard to State ownership he had nothing to say, except that it had not been the plan of the Lowell road to do as little business as possible and get as high rates as possible. They had tried to increase their business as much as possible, and had been satisfied with eight per cent. dividends, when they might have had ten per cent. Whether the State can devise any plan for doing business cheaper than individuals, is for the Committee or the State to judge. He did not know any better way than to employ such brains as they found educated to it, and get the most out of them they could. If the State has any better way than that of getting prices down, he failed to see it. As far as he knew, the actual savings in the management of consolidated roads was about thirty-three per cent. In Europe it is estimated that the saving which can be made amounts to 10 per cent. on the gross income. In England, as well as in Belgium, consolidation had often saved corporations from bankruptcy. The Boston and Lowell and Fitchburg now have about 100 locomotives, 2500 freight cars and 150 passenger cars. The average run of a locomotive on the Massachusetts roads is about 60 miles per day, while they may well be run 150 miles. The roads are all too short for economical usage of the motive power. The Vermont and Massachusetts, in case of a union, would need a double track, and would then do a good business. As for steel rails, they might be necessary at some time in the future, but with the present usage of the Lowell road an iron rail wears ten years and then sells for half price. As for the additional equipment, there is no doubt but that the Lowell and the Fitchburg could furnish it without any trouble. The Great Northern Railroad Company is now composed of about 900 miles of railroad; this plan would add about 500 miles, making 1400 miles in all. The amount of capital to carry out the charter of that company would be about $50,000,000, but as it is there is no surety about the line except so far as agreements are good without the authority of legislation. As far as keeping engagements for developing the Northern or Ogdensburg line was concerned, he did not see that the combination with the Tunnel line would affect the case materially. They would do all they could, but the Tunnel was the line for short time freight, and the upper line would eventually take the Canadian and Northern trade, and both lines be valuable. The trustee processes served upon the rent of the Vermont Central, $32,000 per month, had very nearly swamped the whole line two or three times within the past six months. Mr Choate and Gen. Stark took occasion to come to an explanation as to a little matter connected with the Northern road and the Great Northern company, which resulted in explanations and good feeling. Freight had been carried over the Northern line to the West as low as $2 50, and with the terminal charges and those of the National Car Company it might be possible that they had hauled freight and paid for hauling it. Their boats must be ballasted, however, and for that reason they took goods at low rates. The usual price was $6 for the 400 miles. As for the business of the Tunnel line it was to be a matter of growth rather than of sudden development. The terms of consolidation upon which they were proposing to unite with the Fitchburg were that the roads should be put in on the basis of their capital stock and debts, and that an appraisal should be made of the relative value of stock. The people would only pay upon the capital and debt. Judge Hoar submitted the documents relative to the disentanglement of the network of crossing railroads at Prison Point and its vicinity, embodying the proceedings of previous Legislatures to effect an arrangement whereby they might be straightened out. He explained that the old as well as new plan contemplated the avoidance of the crossing of passenger tracks only, the freight track of the Fitchburg being left as it was. After a little explanation of this matter the hearing was adjourned till 10.30 this morning.

PRESS AND POST.

THURSDAY MORNING, FEB. 20, 1873.

There was matter for careful consideration in the testimony furnished the Railway Committee by Gen. Stark on the question of consolidation, and his plan presented a comprehensive statement of the whole situation in reference to the Tunnel. He supplied the figures which the Committee need to guide them, and his views were thoroughly practical, and showed the experience of the true railway manager. In advocating the consolidation of the Lowell and Fitchburg roads he does not abate any of the public wish that the State should retain control of the Tunnel, while he expresses the preference for throwing it open to the use of all the other roads of the Commonwealth on equal terms. But with the scheme of State management he has no sympathy. The Tunnel route he rightly considers the short-time route to the West, and that is why it is the key of the situation. It is perfectly feasible for a number of competing roads to use it, with the aid of the telegraph. But as an adjunct of the Tunnel line he advocates liberal commercial facilities at this port, and holds that it can prove of no large value except in connection with its needed accessories. The Baltimore and Ohio Railroad shows an expenditure of half a million dollars on steamships in its last report, and its action in this particular is cited with approbation on behalf of an enterprise here which entertains no less large designs. As for the Northern Railroad, that cannot, as Gen. Stark demonstrates by actual figures, compete with the short line through the Tunnel, but will have to rely on strictly Northern and Canadian business, which will be greatly increased by the development of the terminal facilities which the operation of the Tunnel line will demand.

The railroads of New England, whose objective point and natural centre is Boston, constitute an immensely valuable property, which has been slowly and laboriously built up on the most difficult conditions. They are all short routes in comparison with the great lines that stretch from New York, Philadelphia and Baltimore, and have developed their present solid prosperity by actually creating the business to which they had to look for their profits. Railway administration in New England will successfully challenge comparison with that of the other parts of the country. None but men of talent, as well as persistency, could have brought up these various roads to their present high condition. And when it is seriously proposed, in obedience to some ornamental theory, or in order to impress the public imagination, to gather them together in arbitrary groups, as faggots are bundled for convenience in handling, and asking for legislation for them in that anomalous form, it is well to apply the sharp and conclusive criticism to such a project for which a thorough experience in railroad management is qualified. Whatever may be in the future, the railroad system of New England is not likely to be parcelled out in obedience to the arbitrary notions which are nurtured with such care by mere theorists. Growth is to be expected, but let it not be forced by subjecting it to any mechanical process. It would be idle to undertake to dispose of the Tunnel on any basis which in turn is built on a mere theory. It must be operated by men who, like Gen. Stark, come forward with propositions that have the support of facts and figures, wrought out in the actual competition of varied interests. When explaining their plans before the Legislature, it is for a plain and practical result, leaving theories to be evolved afterwards. And it is to be remembered that, as a prominent railway manager himself, he steadily counsels that the State shall continue its control of the Tunnel, throwing it open to all competing lines on equal terms, but not embarking on the untried sea of railroad management itself.

COMMITTEE HEARINGS.

THE HOOSAC TUNNEL RAILROAD CONSOLIDATION.

The railway committee gave another hearing on the petition for the consolidation of the Lowell and Fitchburg railroads, in the green room. Previous to this matter coming up, however, Professor Chadbourne of Williams College protested in behalf of the people of northwestern Massachusetts, against the sale, lease or transfer of the tunnel from the control of the State, under any condition whatever. It would not be enough that the tunnel should be sold for enough to replenish the State treasury for the sum it has cost. There was more than this to be done. The people of his district, he said, wanted cheap freights, for coal and other articles, needed in a manufacturing section, which they would not get through mere corporate competition, which affected prices only at the termini of lines, and left the towns along the routes to the mercy of the railroad managers. These towns had contributed their securities to insure the completion of the tunnel, had built factories in anticipation, and had been benefited by so doing. Still a great part of their investments would prove comparatively unremunerative by destroying the efficiency of the line by selling the tunnel. Uniform freight rates was all that was required to answer the views of those who had urged and contributed to the opening of the route through the mountain.

The Hon. E. R. Hoar appeared for the Lowell Railroad, and proposed to put in evidence, reserving the right to introduce additional testimony before the hearing closed. He said he was authorized by the Boston and Maine Railroad to say that on the details of the unraveling of the crossings of their road with the Eastern, they might wish to be heard; but that on the general proposition of the Lowell Railroad, neither the Maine nor the Eastern railroads made any objections. Charles F. Choate, from the Boston and Maine Railroad, and W. G. Russell, for the Eastern Railroad, stated that their companies made no opposition to the general scheme only so far as it affected their station facilities in Boston, and the change likely to be made in them, and that only in the matter of details, which they wanted the legislature to settle, the Eastern Railroad wanted the provision for exchange of stations with the Fitchburg Railroad made more definite, that is, compulsory in certain contingencies.

General Stark, the general manager of the Boston, Lowell and Nashua line, was called, and opened with a statement concerning the peculiar position of Boston in relation to the foreign exportation trade. Montreal, New York, Philadelphia and Baltimore practically had through routes to the West. Boston has none, her western road connecting with other roads that have independence of action. The Lowell road had endeavored to make a through line, but had been defeated, and it had consequently proved impotent as a competitor of the Albany road. These northern roads, as run under contract agreements, had increased their local traffic from four million tons to seven million tons per mile per annum, while the through traffic had increased from seven to ten million tons only. As now constituted, all the lines brought into competition with the Albany route were weak and would remain so unless the union of the Fitchburg and Lowell roads was allowed. As to the tunnel, he had no objection to the State retaining the tunnel, if it chose to spend several millions in further developing its usefulness. Trains could be run through on the plan adopted on the Metropolitan underground road of London, where the telegraph was in constant use and a speed of twenty-five miles an hour was attained without danger. In the matter of a change of stations in Boston, and a consequent avoidance of numerous grade crossings in Somerville and Charlestown, General Stark could see no difficulty of equitable arrangement. The railroad managers, so far as he had observed, had done their best to utilize and economize their means, and he failed to comprehend the way that the State could use greater economy.

In answer to questions by counsel, Mr. Stark said that greater economy of material was the result of lengthened lines under one management, and gave details of the work of engines. A great outlay would be required to make the Vermont & Massachusetts a first-class double-track road. The proposition for union between the Lowell and the Fitchburg roads was on the basis of appraisal of the stock preparatory to its amalgamation. The Chelsea property recently purchased by the Lowell managers was obtained with a special view to this union, and the plan of the new passenger station in Boston was also based on the eventual consolidation of the lines. The idea of consolidation included the purchase of the Vermont and Massachusetts Railroad, the State to retain the Troy and Greenfield and Tunnel railroads, placing them in condition to be run under the control of the consolidated corporation, the Commonwealth reserving the right to fix the rates per ton and passenger through the tunnel. General Stark thought that the western traffic after the completion of the tunnel would be in a great measure a matter of growth. He was not aware, as suggested by the chairman, that corn was used for fuel within sixty miles of Chicago for lack of transportation facilities East. The chairman stated that that fact had come under his personal observation.

Mr. Hoar then submitted the documents relative to the disentanglement of the network of crossing railroads at Prison Point and its vicinity, embodying the proceedings of previous legislatures to effect an arrangement whereby they might be straightened out. He explained that the old as well as new plan contemplated the avoidance of the crossing of passenger tracks only, the freight track of the Fitchburg being left as it was.

THE RELATIONS OF CONNECTING ROADS.

The committee on railways gave a hearing in the green-room last night on the bill brought forward by the railroad commissioners, defining the relations of connecting railroads. The bill provided that any railroad crossing another railroad shall be deemed to be a connecting road, and authorizes connecting roads to enter upon and use the road of other such corporations. If the corporations cannot agree on suitable terms the railroad commissioners shall fix the rates and determine all questions between such corporations. The bill repeals section 118 and 119 of chapter 63 of the General Statutes.

Mr. E. H. Derby, the counsel of the Fitchburg road, stated his objections to the bill, and said that it disregarded the principle on which railroads were built when it gave any connecting road power to call commissioners to fix the toll over the trunk line, and puts the latter at a great disadvantage. There is nothing in the bill to prevent any rival road from using the terminal facilities of the other road if it chose, and called for commissioners to fix the rates. He strongly protested against the bill as one that would be disastrous in effect.

Mr. Charles Francis Adams, jr., read from the existing law to show what a slight change was proposed. He said that by the present law roads have the right which Mr. Derby objected to, and that already any road which crosses the track of another road is made a connecting road, and has the right to use the stations and facilities of the other. The proposed bill simply covers grounds which under the existing law are scattered around under different statutes.

Mr. Russell appeared for the Eastern and the Providence railroads and objected to the bill, as it puts one road to a great inconvenience and expense in order to accommodate another road. The road may not have sufficient capacity for receiving such business and must increase its capacity at a great expense. He supposed, for example, that the Boston, Hartford and Erie road should prefer to use the station of the Providence Railroad instead of carrying its passengers to the legitimate terminus at the foot of Summer street. There would be no need of acts for consolidating railroads, for any road having such desire could under this bill have the right to virtually consolidate with any other roads. He did not think that this law was substantially the same as the statute of 1867.

Colonel George for the Lowell Railroad gave additional reasons why the bill should not be passed. The road he represented has fourteen miles' of track in Lowell and contemplates still further extending its facilities. It has expended in improvements along its line about $5,000,000. Under this bill the opposition road from Lowell to Boston would have the right—as it crosses the Lowell road—to enter upon and use the facilities of the Lowell road for the purpose of beating out the brains of the Lowell road. It has the tendency to prevent railroads from anticipating the wants of the public and provide for such wants at a pecuniary sacrifice. It was the sentiment of the community that the Lowell road acted wisely in attaining its admirable facilities, and the Eastern Railroad was thought unwise when under its former management it failed to take possession of the track offered it on Causeway street. But if this bill passed sentiment would be reversed. The great objection is that a competing road is given the right to use the weapons of its rival to destroy that rival. If the bill passed he would advise the Lowell road to stop at once all work on improvements in Lowell, for it would only issue to the benefit of its rival. Such legislation, instead of inducing railroads to provide proper terminal facilities, would induce roads to steal the facilities of other roads. It would be natural for the commissioners to fix the rate of rental or toll for the use of the termini of roads with reference to what would be fair compensation for the cost of such facilities, without regard to the consequences. It is a bounty on inefficiency. It takes away the special motive which one road has to provide proper accommodations for the public in order to improve itself.

Mr. Charles F. Choate, the counsel of the Boston and Maine Railroad, thought that the legislature did not intend by this bill to give a road the power to use the terminal facilities of its rival.

Mr. Samuel W. Bates, representing the Housatonic Railroad, said that this bill simply took another power from the legislature and gave it to the railroad commissioners, and the question is to what extent such important powers can be given to another body. Unless some better reason can be given he thought the powers already given in this direction by the present law should be repealed, instead of further extending them. He instanced the right of the Lee and Hudson Railroad to use the facilities in Pittsfield of its rival, the Housatonic road. He thought this wrong.

Mr. Adams said it was somewhat of an old story. He did not think any such evils as had been depicted would ensue. The stage-coach system of running railroads has prevailed long enough. The hedge-hog principle which has prevailed between the Eastern and Boston and Maine Railroad,—throwing out quills in every direction—has turned the northeastern part of the Commonwealth upside down, and he thought that this aggressive independence should be maintained no longer. The law opens all roads to all other connecting roads, and it gives a freedom to the roads which the wants of the public demands. He should entitle this "A bill to compel amicable arrangements," for experience shows that when there is a power to compel an amicable arrangement the roads will naturally prefer to make such arrangements themselves. The only case that had come before the railroad commissioners was that of the Boston, Clinton and Fitchburg road with the Boston and Lowell. It was not decided by the board owing to a defect in the law, but the roads since settled the matter between themselves. He instanced the railroad laws of France, which are similar to the bill proposed.

General Stark yesterday gave to the railway committee the results of his own examination of the much-praised Belgian railway system. According to his version the government, by taking the best roads in the country and by providing such accommodations as would not be tolerated in this country, doing nothing that would not pay, had succeeded in earning about six per cent. on its investments; while the private roads which had not so good facilities earned less than that dividend. We may add that Belgium has a population of 447 to the square mile, while Massachusetts has but 187 to the square mile. General Stark had no objection to the State's managing a railroad, but he felt certain the plan would fail. We cannot believe that this project will, after a careful examination of the difficulties, find many supporters in the legislature. Experience is too decidedly against its practicability.

TUESDAY, FEBRUARY 18.

THE HOOSAC TUNNEL ROUTE.

When the Hoosac Tunnel shall have been completed the Commonwealth will have expended some twelve million dollars—perhaps more—to get this pass through the mountains. The object of this large expenditure of the people's money is to open a new, shorter and easier route from Boston, the metropolis of the State and of New England, to the grain-fields of the West. It is justifiable only on the ground that it is to be of great advantage to the people of this Commonwealth, and that the same means would not have been accomplished by private enterprise. If the expenditure is justifiable at all, and the State has not buried its money under Hoosac Mountain, where it will never be seen again, how is the great work, when accomplished, to be made available so that it will best subserve its end? That is the interesting question now before the Legislature; and as the discussion goes on it becomes more and more apparent that one of two solutions will be reached. Either the Lowell and Fitchburg railroads will be consolidated and extended into a grand trunk line by the way of the tunnel, or the State must go into the railroad business. On general principles we are strongly opposed to extension of the sphere of government for any purpose whatever. We believe that private enterprise can carry on any business cheaper and more satisfactorily than the Government can. But the State has already entered into the business of constructing this route, and has been at great expense to make the most costly part of it. How, then, shall it best get out of the hole in the ground into which it has run itself? What is the best way to realize for the people of the Commonwealth the benefits which the tunnel was undertaken to confer? Mixed up with this question is the great and growing question of corporation rule. The tendency is towards consolidation of railroad enterprises, and if corporations can still be controlled nothing can be lost, and much may be gained in the way of economy by consolidation. But if corporations grow powerful enough to control legislatures, as they do in New York, Pennsylvania, New Jersey and several other States, the people have no remedy. The Railroad Commissioners argue that it will be a good thing for the State to run one of the large trunk lines within its limits for the purpose of learning what can be done to increase the usefulness of railroads by trying experiments which cannot have a fair trial under the present arrangement. They would have the State own one railroad that it might the better control the rest of them. We confess that we look upon this as a dangerous experiment, and if it is to be tried at all it should be undertaken as a temporary expedient for the development of the value of the Hoosac Tunnel and the settlement of certain questions of railroad management which demand a solution and can be solved in no other way. The State has liberally given its aid to three competing lines to the West—the Boston and Albany, the Hartford and Erie and the Hoosac Tunnel. Its policy has been to encourage competition, but it is very questionable whether anything has been gained by this action of the State Government, or whether anything would be gained by its entering the railroad business as a competitor.

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COMMITTEE HEARINGS.

THE CONSOLIDATION OF THE LOWELL AND FITCHBURG RAILROADS.

The committee on railroads gave a continued hearing this forenoon on the subject of consolidation of the Fitchburg and the Boston and Lowell railroads.

General Stark was recalled, and in response to questions by Mr. Adams of the board of railroad commissioners and by the committee, he claimed that the management of railroads by the State would not be successful, and said why the Belgian system had had a measure of success was because Belgium is a monarchy; that it only takes the best roads under its management, and that its mode of management (running only the number of trains that pay) would not be submitted to in this country. He said he didn't place much reliance on the statements of the large amount of business waiting the opening of the tunnel, as he had been struggling after it in vain. He thought the business might eventually be brought up to $10,000,000, but it would take time and labor to do it. He thought if the roads were consolidated it would not be necessary to make a double track of steel rails to the tunnel at once, but he would make improvements as needed. He thought there would be more difficulty for him to manage a railroad under State directors than under directors of a private corporation. General Stark said if it was not for the tunnel the Lowell road would still seek for consolidation with the Fitchburg, and he should favor it if the tunnel was out of the question altogether. Should the consolidation take place, the Lowell road would no longer be at the mercy of the Concord road, but the Concord road would be placed at the mercy of the Lowell, which would thus have another route to Ogdensburg.

President Stearns of the Fitchburg Railroad presented statistics to show the equipment of his and connecting roads as compared with the Boston and Albany Railroad. It would require $4,428,000 to make the total equipment of the Fitchburg, Vermont, and Massachusetts and Troy and Boston roads equal to that of the Boston and Albany. Beside this $3,400,000 would be required to make the Fitchburg terminal facilities as good as those of the Albany road, and $1,040,000 to make those of the Lowell Railroad the same. Mr. Stearns suggested that the elevators and other changes which would be needed when the tunnel was completed should be built at once. By consolidating with the Lowell road the Fitchburg road secured a partner which was able to help pay these bills and also furnish a large amount of business. The only point where the Fitchburg road could get terminal facilities in Boston suitable for ocean steamships was that near the navy yard. The Mystic property of the Lowell road had no equal for this purpose, and were vital to the success of the tunnel line. There would be no trouble in straightening the tracks at the north end of Boston, whatever. The statistics of the freight business given by Mr. Appleton in his testimony on the first day of hearing, Mr. Stearns claimed were incorrect, and he introduced other computations of his own for comparision. In regard to the crossings which were sought to be avoided, Mr. Stearns said the expense entailed by wear and tear on their account was very large, especially in the breakage of wheels, etc. To put the Vermont and Massachusetts Railroad in condition for through traffic required an outlay of at least $1,700,000. To make the consolidated line a real competitor with the Boston and Albany Railroad, 1500 merchandise cars and fifty locomotives would have to be provided at once, besides passenger and baggage cars, at an expense of nearly $2,000,000, and the Troy and Greenfield road would have to be rebuilt. After a cross-examination of Mr. Stearns by Mr. Bates as to the present freight houses in Boston, and the ability of the Fitchburg Railroad to increase the number, the hearing was adjourned.

Consolidation of the Fitchburg and Boston and Lowell Railroads—Gen. Stark of the Lowell and President Stearns of the Fitchburg Road Testify.

The Legislative Committee on Railroads gave a continued hearing yesterday forenoon on the subject of consolidation of the Fitchburg and the Boston and Lowell railroads.

Gen. Stark was recalled to the witness stand and in response to questions by Mr. Adams of the Board of Railroad Commissioners and by the committee, he claimed that the management of railroads by the State would not be successful, and said why the Belgium system had had a measure of success was because Belgium is a monarchy; that it only takes the best roads under its management, and that its mode of management (running only the number of trains that pay) would not be submitted to in in this country. He said he didn't place much reliance on the statements of the large amount of business waiting the opening of the tunnel as he had been struggling after it in vain. He thought the business might eventually be brought up to $10,000,000, but it would take time and labor to do it. He thought if the roads were consolidated it would not be necessary to make a double track of steel rails to the tunnel at once, but he would make improvements as needed. He thought there would be more difficulty for him to manage a railroad under State directors than under directors of a private corporation. Gen. Stark said if it was not for the tunnel the Lowell road would still seek for consolidation with the Fitchburg, as a route to Ogdensburg could thus be obtained, independent of the Concord Railroad, and instead of being at the mercy of the Concord road, as at present, the latter would be at the mercy of the Lowell or Great Northern Railroad. He said that the bill as submitted was simply permissive so far as the leasing of the Vermont and Massachusetts Railroad is concerned, and that if terms could not be agreed upon there is nothing to compel the Fitchburg and Lowell roads to lease it. In that case, the Vermont and Massachusetts road might be compelled to build a road into Boston, but if such an attempt was made the Fitchburg road would find it for its interest to give the former generous terms to prevent the construction of a rival road to Boston.

President Stearns of the Fitchburg Railroad was called upon to state the advantages of the consolidation asked for. He said the equipment of the Vermont and Massachusetts, Troy and Boston and the Fitchburg railroads consists of 66 locomotives, 80 passenger cars, 25 baggage cars and 1201 freight cars; the Boston and Albany Railroad has 206 locomotives, 157 passenger cars, 38 baggage cars and 4113 freight cars; and Mr. Stearns estimated it would cost $4,428,000 to make the equipment of the Tunnel line equal to the Boston and Albany Railroad. In order to provide depots, elevators and other terminal facilities it would cost $2,040,000. Should the Lowell road be joined it would save $1,230,000 in providing terminal facilities, besides saving 5 per cent. per annum in running expenses. He said the only place where wharves suitable for large steamships could be procured by the Tunnel line, independent of the Lowell road, is next to the Navy Yard, where some nine or ten acres can be taken by process of law, at a cost of a million and a half at least. Mr. Stearns said that neither the Fitchburg nor the Lowell road can supply terminal facilities for the western business without sacrificing their dividends, but, uniting the two roads, the facilities could be provided without detriment to the dividends. In response to inquries of counsel of other roads, Mr. Stearns said it would probably cost $2,000,000 to supply needed equipment for the Tunnel road within a year.

The hearing was adjourned till 10½ o'clock to-day.

...ensae Tunnel Consolidation.

☞ *Continued from second page.* ☜

Think the State ought to keep control of the tunnel; should prefer to see it in strong hands. No matter how stringent regulations may be about crossings there is always more or less danger at a grade crossing, so many unforeseen accidents are liable to occur; have known several engines to get away from the engineers.

Mr. Samuel Colby, for forty years a Boston pilot, was next called. Is acquainted thoroughly with Boston harbor and wharves. The wharves at Mystic River, near the Navy Yard, are the best in our harbor for the accommodation of sea-going vessels. At East Boston there are difficulties from cross currents. Vessels could sail straight into a berth at the Mystic wharves at all stages of the tide. There is little current there. As for the system of wharves below and above the Charlestown bridge, there is a strong current, and much difficulty. The current is twice as strong at the mouth of the Charles than at the mouth of the Mystic. Have piloted into Boston steamers of 22, 23 and 24 feet draught.

Mr. J. R. Cummings, also a Boston pilot, corroborated the testimony of the preceding witness, especially in reference to the occasional difficulty with vessels going into or coming from the wharves between the navy yard and the Charlestown bridge.

Mr. Lansing Millis, general railroad agent, was next called. He spoke of the state of affairs at Chicago formerly, when he was there last, especially with regard to the Michigan Central, which had been greatly crowded for freight facilities. The fire helped them some, as the city had enabled them to use public grounds since. There was lack of accommodation at Cleveland, Chicago and Detroit. It is over the Michigan Central that most of the freight comes for our Northern road. There is great want of local accommodation all along the roads leading into Chicago. Cars are set on side tracks, and loaded from farmers' wagons, and there is a lack of cars and a crowding of freights. At other seasons the reverse is true.

Am agent for the Northern line; we have been competing with the Albany for years; have myself largely fixed the freight charges, by authority of the managers of the Northern line, viz., Gov. Smith and Gen. Stark; there has been a great desire on the part of Chicago merchants to have uniform rates; Boston merchants appear to be anxious to have us bring goods here as cheap as Philadelphia gets them from Chicago, though it is 150 miles nearer; the Northern line has had rates lower than the Albany, but even then has not got a very heavy share of the trade. Do not think that the consolidation of the Lowell and the Fitchburg would raise rates; think that the true policy will eventually be for both lines to base their charges on paying interest on capital; the policy in going West has been to load the cars at low rates rather than send them back empty.

We have carried lower from Chicago to Boston than the Central does to New York city; but the managers of the Michigan and New York Central have decided to have no connection unless our through rates are made higher, and we have done it; Mr. Vanderbilt is thus enabled to dictate terms; he does it to the Grand Trunk, which latter finds it cheaper even then to send grain to New York via Buffalo, using only 277 miles of the road, rather than send over its whole line to reach Portland; while the lakes are closed everything is at the mercy of the N. Y. lines.

Mr. Choate remarked that he desired to address the committee at length, for an hour and a half or more, in behalf of the Northern road, at such time as the committee desired to hear him.

Hon. Charles Allen asked for half an hour. He introduced the Vice President of the Troy & Boston Railroad, Mr. Daniel Robinson.

Mr. Robinson then gave some statistics of the Troy & Boston Railroad. He claimed that his road had earned 33⅞ per cent. in four years, and the Fitchburg 34¼, and yet his road had been called bankrupt. Mr. Pierson, one of the controlling men of the New York Central, said in the legislature of that State lately, that three-fifths of the business of the Central came to New England. The Troy & Boston has made good profits, and is a solid road. Its stock had not been watered at all. The road has not had any fancy expenses, has wasted no money, and every dollar spent can be presented in good property.

Cross-examined—There is no quoted value to our stock; we do not propose to sell our road, but we are ready to consolidate with the tunnel lines; we have built up a good business and are not willing to put it in at cost; we have come here for consolidation, are prepared to put our stock into the stock of a consolidated road; if we cannot agree on terms we are willing to refer it to the Supreme Court; we have built up our line at cost and labor and want our pay for it; if the tunnel is opened it will be a valuable piece of property; we want the prospective value of our road in our hands by keeping the stock and forming a part of the consolidated line; do not wish to sell stock.

When this tunnel line is complete it can do an immense business by tapping the canal at Schenectady, and giving the water freight a chance to avoid the 28 locks between there and the Hudson.

The hearing was adjourned till next Wednesday, when Mr. Choate will be heard for the Northern road, and also the Boston Exchange. On Thursday Mr. Edward Crane will be heard on his Boston & Albany Railroad petition.

BOSTON POST.

FRIDAY MORNING, FEB. 21, 1873.

THE RAILROAD CONSOLIDATION.

The Twelfth Hearing—Further Examination of President Stearns—Mr Robinson Again Before the Committee—Testimony of Pilots with Regard to Accessible Water Front—Testimony of Mr Lansing Millis.

[REPORTED FOR THE BOSTON POST.]

The hearing before the Railway Committee yesterday morning was devoted to putting in additional evidence on the part of the Boston and Lowell and Fitchburg roads, in regard to terminal facilities and with regard to the accessibility of the wharves of the Boston and Lowell, and their superiority over any others in the harbor. Mr Lansing Millis, agent of the Great Northern Railroad, also gave some evidence in regard to terminal facilities, and Mr Daniel Robinson, the manager of the Troy and Boston road also made a statement in regard to what had been said concerning watered stock, of which he claims there is none in the Troy and Boston road. On the expectation that the Legislature would meet at 11 o'clock this morning, the hearing was adjourned till Wednesday morning of next week, when Mr Choate will present the case of the Northern Railroad in New Hampshire, ex-Gov. Stearns giving the principal testimony. On the same day the members of the Boston Commercial Exchange will be heard. On Thursday Mr Edward T. Crane will make a statement of his views of the question. The indications are that the hearing will be continued for some time yet, and the matter will not be decided for a week or more.

PRESIDENT STEARNS'S TESTIMONY.

On being recalled Mr Stearns said that he was aware that the Boston and Albany Railroad had fifty acres of flats in South Boston which they were filling, and that they had two grants from the Legislature to get to the ground. In the event of their transferring their freight depots and accommodations from East Boston to South Boston, they could save some nine miles of distance, and the facilities at East Boston might perhaps be made available for the Tunnel line. Mr Stearns said there would be insuperable difficulties to the common use of the Lowell depot by the Fitchburg and Lowell in case they were not united. He did not think it would be possible to get along together practically, however well the management might agree. In regard to the value of the Fitchburg road he thought the present reported capital did not represent its value, but in his opinion it was worth double the $4,500,000. They had kept no construction account, but all the expenses for improvements had been put into the expense account, so that while the property had been greatly increased the capital remained the same. Leaving out the Boston and Lowell and the Troy and Greenfield, he thought the necessary improvements would amount to about $9,950,000, and with the cost of the roads reckoned in, perhaps $35,000,000 might be capital enough to establish the line. In regard to the grade crossings the cost was perhaps $5000 or $4000 per year and a delay of one minute to every train. He did not know that there would be any objection to selling the Fitchburg road, but no price could be fixed by himself or his stockholders. It would have to be referred to the Committee now appointed to consider the matter of consolidation. The natural outlet to the northern freight was the Boston and Lowell, notwithstanding the fact that the Fitchburg had a connection by which they might receive business from the north. So also the natural outlet of the Tunnel line was the Fitchburg, notwithstanding the fact that the Lowell had a connection by which it could be brought in by their line. He did not know but that on general principles two competing lines were better than one management, but under the present circumstances he thought the argument should be made in favor of combination. If the Fitchburg had plenty of money for improvements and abundant terminal facilities, they might not wish to take in the Lowell, which plan, by the way, was first proposed to him by Judge Richardson.

THE PILOTS' TESTIMONY.

Mr Samuel Colby and Mr John R. Cummings, the former a pilot of forty years' experience, and the latter with an experience of twenty-four years, both testified as to the superiority of the Mystic river or "Dump" wharf to all others in the harbor for the accommodation of large sea going vessels. They could be docked at any time when they could get into the harbor without any assistance from tugs. At East Boston the steamers could not be taken in except at certain stages of the tide without the assistance of one and sometimes three tugs. The current setting away from the wharves was too strong to allow the management of any large steamer by her own power. There was no better point for a wharf than the "Dump," owned by the Boston and Lowell.

MR LANSING MILLIS.

Mr Lansing Millis, Agent of the Great Northern line, thought Mr Joy was mistaken when he thought the roads in Chicago had sufficient terminal facilities there. He thought all the property of the Lowell and Fitchburg would be needed for the accommodation of the Tunnel line. Mr Millis stated some facts in relation to the rates of freight between the Boston and Albany and the Northern line, the Northern line generally offering to do business cheapest, and yet not getting the business. The only combination between the two roads lasted but two weeks, and was then broken. The rates to Chicago had been changed, because of a decree from the New York Central that they must at least be changed so that the rate from Boston to Chicago should not be less than the rate from New York. He did not think the union of the Lowell and Fitchburg would at all affect the rates of freight, nor would it make any material difference if the Northern line were governed by the Tunnel line. The freights were controlled by the New York Central, which was under the management of Mr Vanderbilt.

MR ROBINSON RECALLED.

Mr Daniel S. Robinson, the Manager of the Troy and Boston road, was recalled and made a statement to clear away the idea that the stock of his road had been watered to a considerable extent. This had never been done, as he was willing to prove by facts and figures. Mr Robinson detailed the items of the cost of his road, but said this sum did not represent its value. He claimed his road to be in a better condition than had been represented. He could prove that the Fitchburg road had earned in four years 34¼ per cent. and the Troy and Boston 33⅜—or the former ⅞ per cent. more than the road they represented to be on the verge of bankruptcy. Again, in two years the Troy and Boston earned nearly $4000 per mile, while the Fitchburg road made only $560 a mile more. The business of the Troy and Boston was good for its length and steadily increasing. The road had never paid out a dollar for fancy expenses. Up to 1862 there was no officer of the road paid but a Treasurer at $500 a year. The nominal capital of the road was $1,600,000, nearly all of which had been paid in. He would be willing to consolidate with other railroads, but not to sell it, except to the State. There was more to be obtained from the road in the future than its mere market value at the present time, and if there was to be any consolidation the parties owning the road proposed to be a part of it.

Mr Choate, representing a single interest in the great Northern line, did not desire to interfere with the consolidation of the Tunnel lines proper, but wished to present some facts in relation to the operation of that part of the Northern route which he appeared for, through an examination of Gov. Stearns, President of the Old Colony road, who could not appear to-morrow. As the examination would occupy more than an hour, it was deferred till Wednesday next, to which time the hearing was adjourned.

COMMITTEE HEARINGS.

THE CONSOLIDATION OF THE HOOSAC RAILROADS.

The adjourned hearing on the petition for the consolidation of the Lowell and Fitchburg railroads took place before the railway committee. Mr. Stearns, the president of the Fitchburg Company, was again questioned by Mr. Bates, with regard to terminal facilities. He said if the Albany road gave up its ground at East Boston to the tunnel line, it would be sufficient for present purposes. In reply to Mr. Choate he said that it would be impossible for the Fitchburg Railroad to use the Lowell passenger station in common with that company while the lines remained distinct and virtually competitors. Mr. Allen questioned the witness in regard to the actual correctness of his sworn returns as to the value of the Fitchburg Railroad, and elicited the fact that no construction or equipment account had been open for thirteen or fourteen years. All additions had gone into the expense account. Had the company increased its capital stock, it could not have paid dividends. His estimate of the requirements to equip the through line to Troy, exclusive of the tunnel and the Troy & Greenfield Railroad, was $21,000,000. If these were added $12,000,000 more would be needed. He estimated it would require $3,740,000 for terminal facilities and for a double track on the Fitchburg and Vermont and Massachusetts railroads, and at $20,000 per mile for the remaining 84½ miles it would need $1,790,000; adding the amount required to make the equipment equal to the Boston and Albany Railroad, the total expense for improvements would be $9,950,000. Mr. Stearns thought the natural outlet of the northern roads was over the Lowell Railroad. Being asked whether if he had large terminal facilities in Boston for sale, and another road had also terminal facilities for sale, he said he could not judge whether it would be better for the two roads to unite, unless he knew all the circumstances in the case. He desired to unite with the Lowell road to get ther terminal facilities. If he had money enough to buy these alone he might not be so anxious to consolidate. He would be willing to give fair and equal terms to all connecting roads sending freight over the consolidated line. The consolidation of the Fitchburg and Lowell railroads would obviate much of the trouble now existing with crossings in Boston. The combined roads would then be willing to negotiate with the Eastern Railroad for an interchange of tracks by which many crossings would be obviated. In reply to a question by Mr. Carpenter, the witness said he thought the State should keep control of the tunnel, as it ought to be in strong hands.

Two of the oldest Boston pilots, Samuel Colby and John R. Cummings, were of the opinion that the Lowell Railroad wharves on the Mystic River were most favorably situated for the convenience of ocean steamers, in the manner of reaching them as well as in regard to depth of water and the absence of adverse currents.

Mr. Lansing Millis, the Boston agent of the great northern lines, testified to the necessity of large accommodations for railroads, in order that they should forward their freight quickly. Few railroads had enough terminal facilities. This was the great want. In Chicago the roads had been enabled to buy land since the fire, but had still too small an amount. Railroads never anticipated the necessities of their increasing business for more room. The most of the complaining against the roads in the carrying trade was the non-uniformity of their rates. He said that they had recently been practically controlled by Mr. Vanderbilt, who had the advantage in the winter season, the lakes being closed to the northern line. In his judgment the consolidation of the Fitchburg and Lowell as the through tunnel line would not raise freights one cent.

Mr. Robinson, the vice-president of the Troy and Boston Railroad, was recalled by Mr. Allen and questioned as to the status of the line, with a view of controverting some statements that had been made in relation to it. He made comparisons between the earnings of his road and the Fitchburg in corresponding years, with results largely in favor of the Troy and Boston. His road had no fancy expenses and no money had been wasted. The president and vice-president were not salaried until 1862, and since that time had received but $3000 each per annum. Since that date, owing to to an increase in business, the capital was $1,600,000, of which $1,200,000 had been paid in. Terminal facilities were outside of this. He did not propose to sell, but would consolidate at a fair valuation. He contended, in answer to Mr. Hoar, that he was present for purposes of consolidation and no other, and that he would listen to no overtures from any quarter seeking the purchase of his road, which had been built up with the one idea to eventual consolidation. He hoped that the union of the Lowell and Fitchburg would never be granted.

PROPOSED GENERAL HORSE RAILROAD LAW.

In the committee on horse-railroads a bill was considered looking to general legislation in relation to the formation of horse railroad companies, and the extension of their tracks. The bill consisted of the two following sections:—

Sect. 1. The board of aldermen of any city and the selectmen of any town may, upon petition, authorize any street railway corporation to extend the location of its tracks within the territorial limits of such city or town, whenever it can be done without entering upon or using the tracks of any other street railway corporation, under such restrictions as they deem the interests of the public may require. And the location thus authorized shall be deemed and taken to be the true location of the tracks of the corporation, if its acceptance thereof, in writing, is filed in the office of the clerk of such city or town within thirty days after receiving notice thereof. Before acting upon the petition, notice of the time and place of hearing shall be given to all parties interested, by publication in such newspapers or otherwise as the board of aldermen or selectmen may determine. And in any city or town where other street railway corporations run their cars, written notice of the time and place of hearing upon the petition shall be given to the president, superintendent, treasurer or other principal officer thereof at least seven days prior thereto.

Sect. 2. Whenever the board of railroad commissioners, after due notice and hearing, shall decide that public necessity and convenience so require, they may authorize and empower any street railway corporation to enter upon and use, with its horses and cars, the tracks of any other street railway corporation it may meet or cross, subject to the provisions of law relating to such entry and use.

Mr. Charles Francis Adams, jr., of the board of railroad commissioners, appeared to advocate the bill, and stated that his board had never favored special acts, but had endeavored to advance general legislation. When the roads find that there is a tribunal to which they must go, they would arrange matters between themselves. Mr. Charles E. Powers, president, and Linus M. Child, counsel of the Middlesex road, and Hon. Moody Merrill, president, and T. M. Clarke, counsel of the Highland road, desired the bill modified so that instead of the board of railroad commissioners the aldermen of cities or the selectmen of towns shall be the tribunal to decide on the right to enter other tracks. Alderman Quincy of Boston also took the same view of the matter.

THE ANNEXATION OF [illegible]

The Hoosac Tunnel Project.

The hearing before the Legislative Committee on Railroads, Senator E. P. Carpenter, of Foxboro', chairman, was resumed in the Green Room this morning.

President Stearns, of the Fitchburg Railroad, was again before the committee, and was cross-examined at considerable length. He thought there were insuperable objections to the tunnel lines using the Mystic docks of the Lowell road without consolidation; agreements would sometimes be difficult; there would be jealousies, and there would be rivalries in business and conflicting interests. Mr. Stearns also explained the proposed mode of getting into Boston, the property of the roads, the wharves, etc., by the map. The Fitchburg road expended large sums, which were not charged to construction account; the road did not follow the course of many railroads and charge every expenditure to construction account; probably a million dollars have been expended that is not set down as cost of road and equipment; if the road had increased its capital it would not have had dividends; the stock has been kept as small as possible.

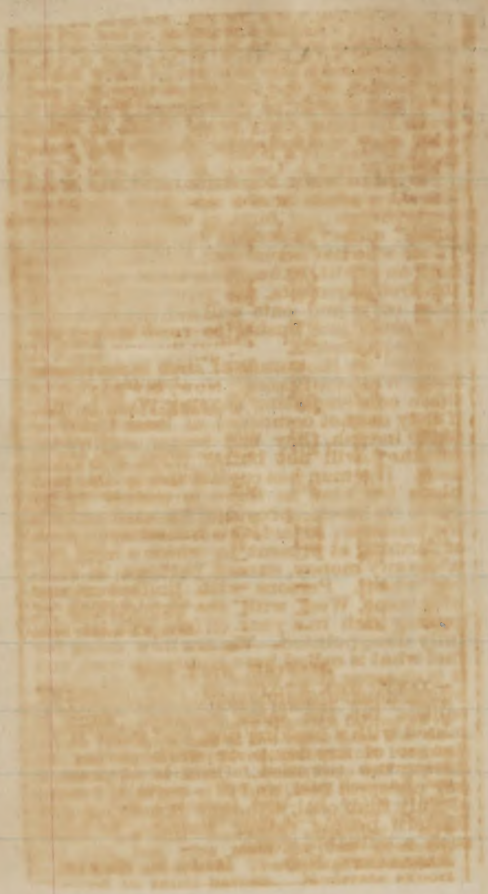
Large expenditures have been made and charged to expenses; think there are several roads, including the Lowell, which keep accounts the same way. The addition of new property in this way has more than equalled depreciation, and the actual value of the road has increased. There has been no construction account kept this dozen years or more.

The plan would take out two sets of frogs, leaving only one frog crossing. The passenger train would not cross frogs at all. The consolidation would have to take Fitchburg property at its fair valuation. If the State wishes to buy the property it has a legal way to do it. As for price, the stockholders would not probably name a price, but would refer it to a committee. The Lowell railroad is the natural outlet of the northern roads, and the Fitchburg of the tunnel lines. Two ways of getting grain into Boston would not be objectionable. The great advantages to be derived from consolidation would be the acquisition of terminal facilities in Boston.

Consolidation of the Fitchburg and the Lowell roads would be better for the stockholders, the public, and trade at large. Did the Fitchburg possess ample terminal facilities, and a sufficient command of capital to make all required improvements, it would not seek consolidation. Without the aid of the Lowell nothing decisive can be done. The Lowell road has a petition and a projected branch that threatens a rival line to Fitchburg. The Lowell road can be made a tunnel line by purchasing the stock of the Vermont & Massachusetts, and making a new connection.

The expenses of stopping at grade crossings amounts to several thousands of dollars yearly in wear and tear of rails, and machinery and cars, to each road, not to say anything about danger and delay.

Think there would be an impossibility in remedying these crossings in any other way than by consolidation; the Fitchburg road could not use the Lowell depot harmoniously with that corporation, in the main, and it would be unjust to ask it, unjust to those who built the depot for their own traffic.



Boston Times.

BOSTON: FEBRUARY 23, 1873.

Consolidation of the Fitchburg and Lowell Roads.

The absorbing subject before the Legislature and the citizens of Boston, involving the policy of the State and the commercial prosperity of its metropolitan city, is that indicated by the head of this article. Our own views and the reasons upon which they rest have been already stated in these columns, and the discussions that have been referred to have tended to confirm and strengthen them in all particulars. The strength of the railroads interested, the strength of the capital interested, the strength of the Commonwealth, all lie in the same direction. A puny and impossible consolidation, for a distinctly great purpose, is on one side, with a strong, capable and energetic combination on the other.

Objection is made to what is called a consolidation of competing roads. Now what is the evidence furnished on this subject from the best sources? Mr. Joy's evidence is to the effect that competing companies will consolidate, practically if not really; that when he is told that the Legislature and the people will not allow of it, he then says that they cannot either of them prevent it; that they will, and in point of fact must, as a matter not merely of self-protection, but of self-preservation, make contracts and agreements and have understandings between them, which will be equivalent to consolidation.

What is the evidence on this subject furnished by the Railroad Commissioners of the State, in their report for the past year? In England, we are told, "competition between railroads exists only to a limited extent, and cannot be maintained by legislation" (page 65). Again, the Commissioners say: "The over-competition which had been stimulated then led to a rapid consolidation of competing lines. This excited the utmost alarm, and Parliament for many years persistently attempted to check it; the committee (Joint Committee of Parliament on the Amalgamation of Railways,) now report that this process has not brought with it the evils that were anticipated; but that in any event it is impossible to prevent it, and equally impossible to lay down any general rules determining its limits or character."

This evidence is so clear and satisfactory, and so thoroughly commends itself to the judgment of intelligant men who are at all conversant with railroad business and railroad management, that nothing further needs to be added to it; but the Commissioners do add something more even to this. Referring still to the experience of England, they say, "Meanwhile a very rapid consolidation of existing *independent lines* is taking place, which Parliament *no longer endeavors to prevent*; partly because the process, so far as it has gone, *has failed to develop the evils anticipated*, and partly because the tendency has shown itself too strong to be resisted."

And while the Commissioners most earnestly recommend, in their report and in the hearings before the Committee, the example of Belgium for our State to follow, they enequivocally report, "*competition is effectually killed in Belgium!*" In fact in Belgium, where the Government controls the best lines of railroads in the kingdom, the State itself has been compelled to consolidate practically with competing lines, just as similar lines have done in England, and everywhere else. The Commissioners put this case as strongly as it can be put in the following words:

The Government, "in order to get business on to its lines, made special contracts and special tariffs; and it sustained a severe competition, the result of which was, in some cases at least, a joint-purse arrangement under an agreement with its adversaries." Page 69.

And yet the Belgium system, in which "competition is effectually killed," and the State goes in with its competing railroads on "a joint-purse arrangement," is the system which the commissioners so authoritatively urge the Commonwealth of Massachusetts to adopt in order that the State may control and regulate private corporations; which the commissioners, on the authority of England say they cannot do by legislation!

It seems to us, whether the commissioners intended to do so or not, it would be impossible for them to make this case any plainer, or present it any more forcibly to the Legislature. They completely confirm and sustain the position taken by Mr. Joy, that whatever the Legislature or the public may do or not do, the railroads, practically, will consolidate their interests; and not only will private corporations do this, but the State itself under certain circumstances. And they show further that in England, as well as Belgium, "competition is effectually killed."

But this is not all, nor perhaps so far as the public is concerned, the most effectual result of their testimony and argument. They show that consolidation has utterly "*failed to develop the evils anticipated*," and "Parliament no longer endeavors to prevent it."

What is there, then, to fear from a consolidation of the Fitchburg and Lowell lines? Nothing; absolutely nothing, as shown by some of the best and most experienced testimony in the country, and by the conclusions of the railroad commissioners from the practical experience of the foreign countries, whose railroad systems best compare with our own. Unless it can be shown that the people of Massachusetts are different in essential particulars from any other people, and that railroad managers and directors in this State will not do, nor find it necessary to do, what railroad managers and directors elsewhere find it expedient to do, the argument against the consolidation of what are called competing roads, is nothing more nor less than what one of the State Commissioners would call "rubbish."

But there is another side to this question in the case now before the legislative committee; and that other side is as to the advantages of consolidation to the people, to the city and to the State. We think these are very large, and like consolidation in the British Parliament, "too strong to be resisted.' The object of Boston and the purpose of the Tunnel is to facilitate the intercourse of the seaboard with the interior; the sea with the lakes; agriculture with commerce; and in a year, or year and a half, the Tunnel, it is presumed, will be completed and the tracks laid through it. It is agreed on all sides that this result will be greatly beneficial to the West in the transportation of its produce to the seaboard, and is looked upon with as much interest there as it is in Boston, and no doubt its accomplishment will be mutually beneficial. On the theory that large amounts of grain and produce for transhipment will be ready for the Tunnel line as soon as opened, there is need of largely increased means of transporting it and ample accommodations in Boston for its reception and transhipment.

Besides this, the roads themselves, according to the statement of the Governor, are to be much improved, partially rebuilt, provided with a double track, perhaps furnished with steel rails, and made altogether suitable and adequate for the purposes intended. To accomplish all these things demands the means and efforts of a strong and commanding company; strong in means, strong in capacity, strong in purpose; and such a company the corporations interested in the direct line between Boston and Troy cannot furnish, whatever course the Commonwealth may see fit to pursue with regard to the Troy and Greenfield road and the tunnel. Such a company, fortunately for Boston and the State, the Fitchburg and Lowell corporations can furnish, with means and facilities at their command wholly superior to those which can be furnished by any other consolidation.

With the aid and under the lead of these two companies, consolidated on an equitable basis, every means and want required to do the expected business, and to build it up to its highest proportions, will be secured. The position and character of these two companies, their credit, their possessions, their ability, their interest in the prosperity of Boston, are all well known, and may be relied upon. They are able to do the whole work of transportation, and provide terminal facilities for transhipment, in addition to their present business, as no other company that can be formed can do it. Together they constitute what the business demands, what Boston wants, what for the interest of all parties the Commonwealth must have.

About Nebraska.

Correspondence of The Weekly Sun.

I am one of the many who have taken the advice of the lamented Greeley, and now find myself in Nebraska. Perhaps a word from me may be of value to those who may contemplate doing the same thing.

For big stones, big fields, and big crops Kansas and Nebraska are hard to beat; nevertheless our farmers are seeing hard times; money is scarce, and interest high. Those who have come out here and bought land on credit, exhausting their capital in the first payments, are now compelled to raise corn and oats and sell the same for 12½ cents per bushel to raise money for future payments.

There are thousands of such instances in these Western States. Now, my advice to those contemplating moving West is this, if they cannot command at least $2,000 or $3,000 in cash, they had better stay away, for they will not better their condition here. If a man has capital this is the best place for him, as there is money to be made in stock, provided he understands the business; in fact, this is the only branch of farming at present in which a man can make any money, except perhaps in raising wheat. Persons with limited means who come West with the expectation of getting rich in a year or two will be woefully disappointed. We are now using for fuel what is called here Nebraska coal, and it is cheaper than wood or that dirty, black bituminous substance used in some other localities for the same purpose. Ours is mined with a husking peg, and there is no danger of fire damp or walls caving in during the operation. Corn is at present our cheapest fuel, and it is certainly more cleanly than coal, although it may seem to Eastern people rather wasteful to burn such a valuable grain.

FALLS CITY, Neb. ISAAC N. EWALT.

If persons who are indebted to the *Monitor* don't want us to freeze, they had better bring us some corn, right away.—*York Monitor*.

"Our Bill" says he would like some corn, too, but prefers his in the juice.

THE RAILROAD QUESTION.

State Ownership No Remedy for Existing Evils.

A reply to the speech of of Mr. Charles Francis Adams, Jr. By RICHARD S. SPOFFORD.

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Boston Journal.

MONDAY MORNING, MARCH 10,

Railroad Consolidation.

The hearing before the Railway Committee at the State House on the subject of the Hoosac Tunnel consolidation has developed facts and information of very great interest on the subject of railroad management. A mass of testimony has been elicited and is comprised in the reports of the hearings, which will make several hundred pages. The statistics presented, no doubt mainly reliable, are also quite voluminous and important. The hearings have been continued through a month of the session, and including one or two evening meetings, there have been about twenty sittings. The arguments of counsel are yet to be made, and will occupy three or four days of the present week, commencing to-morrow.

It would seem that from this mass of intelligent testimony and amount of labor, a wise and just conclusion might be reached by the committee and material information furnished to the Legislature; but say what we may, it remains a complicated matter in the public mind. The problem is how to utilize to the best advantage the Hoosac Tunnel, about the completion of which the Governor assures the Legislature there can no longer be any doubt. If the roads or corporations interested in the direct line—to say nothing of the Commonwealth, were in a condition to consolidate their property and their interests and secure the means and facilities required to develop the business and obtain adequate returns for their capital, it seems to us that this course would commend itself equally to the parties in interest and to the public.

But this, we are very apprehensive, under the present order of things, will be found very difficult, if not impossible. As matters stand to-day—considering what is required in the way of enlargement of depots and freight accommodations, of extension of tracks, purchase of locomotives, cars, etc., on the line and for the line, and especially at the termini—the accomplishment of the great objects desired by the corporations directly interested on the line, and by them alone, as contemplated by the bill now before the Committee, is not reasonably to be looked for, and we doubt whether it will be attempted.

Of course, in view of whatever difficulties there may be in the case, we shall be told that nothing is impossible; that New England enterprise is indomitable; that means may be had by asking for them; that terminal facilities are to be had for money, and that the business to be developed will justify any effort, any measures, any expenditure, and be sure to be remunerative. Much more than this is said in the same strain, and it may all be true; but in view of the known condition of things on the Tunnel line, it must be apparent to all that the case is not one of such easy solution. There are great obstacles to be overcome; large differences to be reconciled, and the question is, in some sort, whether you will take the hardest or the easiest way to meet these. We do not question the character of New England enterprise, or the reasonable probability of developing a large business on the Tunnel line; but there is much work to be done before this result is secured. A strong and reliable corporation is absolutely demanded in order to accomplish this object, and it is not too much to say no such corporation can be formed by the present parties in the direct line. They have neither the means for the purpose, nor the accommodations required for the financial standing which will enable them to command these.

We think this matter should be understood. The universal demand is for a strong and competent combination. Individuals of great experience in railroad management, and public bodies which have spoken upon the subject agree in this; and the public ought to know that such a through line as is desired, with such extensions, enlargements and purchasings; such adequate terminal facilities; such elevators to be built and transatlantic contracts to be made, cannot be obtained by a combination composed of the corporations now occupying the direct line on either side of the Tunnel. When this is realized the necessity of such a consolidation as that proposed by the Fitchburg and Lowell companies must become as evident as it is by many deemed imperative; and satisfaction will be found in the fact that we have two such wealthy and commanding corporations willing to undertake for a reasonable prospective profit to themselves, to develop—and take care of when it is developed—the Tunnel business and secure its benefits to the city of Boston and the Commonwealth.

The prominent objection to this consolidation is that there will be no competition. Our answer to this is that competition among strictly Massachusetts railroads, in the through business of a great Western line, is neither desirable nor necessary. The price of grain may be said to be fixed in Liverpool or in Chicago, and has a controlling influence on the rate of freights; or when this is not so, then the rate is fixed by the Pennsylvania and Hudson River lines and not by Massachusetts lines. The competition of Massachusetts roads will not be between themselves, whereby each would suffer, but with other and outside lines. It was the Pennsylvania competition alone that took the toll off the Albany bridge. Besides these considerations there is nothing permanent in competition. What is the evidence furnished by the Railroad Commissioners on the point of competition? In England it is said over competition led to a rapid consolidation of competing roads, and "*this process has not brought with it the evils that were anticipated.*" "Competition exists only to a limited extent and cannot be maintained by legislation." "A very rapid consolidation of existing independent lines is taking place, which Parliament no longer endeavors to prevent; partly because the process has failed to develop the evils anticipated, and partly because the tendency has shown itself too strong to be resisted." In Belgium, "competition is effectually killed." In some cases the government itself was compelled to enter into a joint-purse arrangement with its adversaries *

Of course it is well known that there is in the West this year and every year more grain than all our railroads can handle, and it is to be hoped the surplus crop of another year, sure to be burned this year, may find its way to the Atlantic seaboard. The Boston and Albany, which fears no competition; the Boston and Oswego and the Boston and Ogdensburg, (if New Hampshire is willing,) will have all the business they may be able to do, with or without competition, and it may turn out that the great thing requisite to the growth and prosperity of Boston commerce will be the necessary steamship lines, for it must be remembered, as Mr. Brooks significantly remarked, steamships are not coming here empty.

*See Fourth Annual Report of the Board of Railroad Commissioners, January, 1878, pp. 65, 66, 69.

COMMITTEE HEARINGS.

THE HOOSAC TUNNEL CONSOLIDATION SCHEMES.

The railway committee gave another and a final hearing on the subject of the consolidation of the Hoosac tunnel lines of railroads. The green room was again well filled with an interested audience.

The Hon. Josiah Quincy, chairman of the board of commissioners, said that his attention had been called to the improvement and advantages of Boston harbor. During *the last six years* every dangerous rock has been removed, the islands had been protected from washing away, by sea walls,—the channels had been widened and deepened, and when the money obtained during the past week through the exertions of members of the board had been expended, the largest sea-going steamers, drawing twenty-three feet of water, could go to sea or come up to the wharves at low tide. Within the Castle is what will be made one of the most magnificent harbors in the world—perfectly landlocked and surrounded for miles with deep-water wharves, covered as they will be with storehouses, manufactories and railway stations, giving wealth to the State and city and diffusing prosperity and facilities to the whole land. The original peninsula of Boston was bounded by Charles River on the one side and Fort Point channel on the other. On crossing Fort Point channel you come to the South Boston flats, where there are over seven hundred acres belonging to the State, with a frontage on deep water of more than two miles and a half, and by means of excavations accessible to the largest steamers. You then pass South Boston point and enter Dorchester bay. This bay, with its various indentations, extends first to Savin Hill, then to Commercial Point and thence to the crossing of the Old Colony Railroad to Port Norfolk; this commissioners' line, all within the city of Boston and its upper harbor, extends about 8¾ miles, with wharfage front of 26 miles, all of it easily accessible by railroads and all capable of being made into wharves for the largest steamers. The whole of this line has been bought in anticipation of this improvement, and plans for the whole line had been submitted to him to be laid before the board of harbor commissioners. We have thus on the south side of the peninsula nearly nine miles of water frontage, capable of accommodating steamers of the largest class. On crossing the Charles River, we first come to the navy yard. There is no need of dilating on the admirable adaptation of that site for a great railway terminus. Mr. Quincy had no doubt but that the government would, on the application of the State of Massachusetts, remove its works to some other and cheaper position. And if, as is suggested, the land would then revert to the heirs of the original grantors, there is no doubt but that their claims would be settled on very reasonable terms. We next come to the flats on Mystic River which a generous legislature gave away without any pecuniary consideration. Here the Boston and Lowell Railroad own eight acres of land, admirably situated on water made by dredging 23 feet in depth, and below the Chelsea bridge. Beyond this come the property of the Mystic River corporation of Chelsea and East Boston, extending down to Point Shirley, all of which by the modern appliances of dredging could be made available for deep-water wharves connected directly and conveniently with railroads, giving a wharf-frontage on that side of Charles River and within the upper harbor of 21 miles front.

But the most important terminus is on the city proper. A report made to the joint commission on terminal facilities for railroads, in 1870, states that the depôts must be "on a point of the city easily accessible to the large storehouses already constructed—so placed as to have an easy communication with one another, and with all the railroads terminating in the city, and placed on the deep water of the harbor; all of which could be attained by extending Atlantic avenue four hundred feet in width, from Summer street on the south to Leverett street on the north, and occupying as it now is by a union freight railroad."

For reasons set forth, and in order to give a wide street for a stand for market wagons, and for loading merchandise coming from or going to the wharves and warehouses, Atlantic avenue, as now laid out, will probably be widened to 200 feet. Connected with this will be, as laid out on the plan of the harbor commissioners, the extension of India, Rowe's and Foster's wharves (which will be as soon as the dredging for filling the South Boston flats is completed) and which will give more than fifteen acres of solid land and a deep water front of 6000 feet, two of the wharves being 240 feet in width with railroad tracks on both sides. Besides this there can be on some of the other wharves an elevator on deep water of a capacity of over a million of bushels supplying not only the sea-going steamers but also the local trade of the city.

Thus the upper harbor of Boston, sixteen miles on the harbor commissioners' line,—by the same means used by the State on South Boston flats—by the Boston and Albany at East Boston, and by the Lowell Railroad at the mouth of Mystic River,—can be made available for wharves for ocean steamers, which wharves, when constructed, will show an available front on deep water of nearly fifty miles in extent. Arrangements are already in progress for utilizing the whole line by wharves. These can all be connected with one another and the great centre on Atlantic avenue. Over twenty millions are expended annually for transportation of goods within the city of New York. With the facilities we shall possess, the same amount of business can be performed for two.

Professor Henry L. Whiting, the engineer of the harbor commissioners, confirmed Mr. Quincy's statements in a more detailed manner.

Mr. J. S. Wilder, wharfinger of Constitution wharf, testified as to the capacity of that wharf and Battery wharf for large steamers and for the erection of an elevator of the capacity of a million and a half bushels. Mr. Wilder's estimate of the cost of such an elevator was $1,800,000.

Mr. Daniel Robinson, president of the Troy and Boston road, presented a detailed statement, showing that it would cost $1,300,000 to put the consolidated line in running order, in addition to the amount that had already been expended on the several roads. This would put it in as good order as the New York Central. The hearing was then closed, with the exception of the arguments, which will be assigned tomorrow.

Boston Times.

MONDAY.....February 24, 1873.

For Latest News see Fourth Page.

State Assumption of Railways.

At the session of the Railway Committee on Friday Mr. C. F. Adams advocated an assumption of the Fitchburg, Vermont & Massachusetts and Massachusetts Central Railways by the State, observing that this board concurred with him in the views he presented. He remarked that a great deal of rubbish had accumulated in the case which he should hasten to brush away, that he should not cross the sea or fall back on former days for facts or illustrations, but should find them here. After a few more prefatory remarks he proceeded to cite the history and progress of the Belgian railways for the last thirty-five years, during which the system has grown up to an income of six per cent., and then proceeded to cite one of the Blue Books of the English Parliament on the subject of State management of railways. Is there no sea between us and the British Isles and Belgium for Mr. Adams to cross, and no lapse of time whatever since Belgium organized her railways more than a third of a century since? Must we not conclude that either Mr. Adams has made some wonderful discoveries in geography and chronology, or is he not slightly inconsistent? And is he to dispose of Mr. Joy, the accomplished and experienced President of the Michigan Central, and of the distinguished railroad men and counsel who preceded him, and their facts and arguments, as mere "rubbish," and hurry our State into a further unnecessary expenditure of thirty millions of dollars?

But let us refer to his trans-Atlantic evidence which he has thus Americanized. For at least ten years past England has been considering the expediency of taking and running some cheap Irish railways, but thus far has failed to see her way clear to do so. Belgium in a third of a century has created a network of railways less than one-fourth the size of the network of Massachusetts, although she has a country for five centuries the seat of manufactures, with a population of four hundred to the square mile and adapted by nature to railways, while Massachusetts is the reverse. In thirty-five years Belgium, with diminishing fares and freights, has made her system of railways return six per cent., and hence Mr. Adams infers that we should follow her example and confide our railways to the State. But he omits the fact that for the last quarter of a century she has not built fifty miles of railway, that she has occupied the best ground in the most populous portions of Europe between great centres of manufactures, Antwerp, Brussels, Liege, Ghent, Malines and Bruges, that she built her lines at great cost, and that they might have failed at the outset if she had not been able to borrow capital at less than four per cent. interest.

The credit due to her for low fares and freights, as well as for the prevention of undue competition with her lines, is due chiefly to her wise monarch, the late King Leopold, and to the tenacity with which he kept in office his sagacious minister, who had charge of his railways for more than twenty-five years.

But what State in our Union has had a wise Governor so long in office as King Leopold, or employed a minister or manager of any department of State as long as he did? Belgium has wisely kept down her rates, but has made very slow progress; she has not kept pace with Massachusetts in her railways; with more level and superior land and twice her extent of territory she has today less miles of railway than Massachusetts and four times as many people to use them. By her system she has repressed enterprise; nearly all her extensions have been slowly made by private companies.

The difficulty with States is that they have not the enterprise, ambition, energy, interest, spirit and soul of private individuals or associations. Upon the point of State management, the opinions of Mr. Joy, who preceded Mr. Adams, and has grown up with the railway system of the West, are entitled to the highest respect; he exhibited in a striking light the successive failures of Illinois, Michigan, Pennsylvania and Missouri, which have sunk more than one hundred millions of dollars in their efforts to establish a State saystem of railways on the very routes where private companies have since met with signal success. Mr. Adams attempted to meet this evidence by the assertion that nearly all the railways of the West had failed, and that most of those of the East would have at some time in their career sold out at a discount, but he omitted to add that the failures of the West were in nearly all cases failures in State management, and with respect to the East the temporary depression of unfinished lines was by no means a failure.

Mr. Adams urged upon the committee that the State should have a line to Lake Ontario with the best rails, second tracks and ample rolling stock. This, inclusive of the cost of the Tunnel, would call for an outlay of forty millions, all raised by borrowed money, and the history of four States apprizes us that all this may be sacrificed. Shall we take no lessons from their experience? He urged that the State management of one line will be a lesson to other lines; but suppose that management results in failure, what will become of its scholars? It is currently reported that the plan of the State assumption of the Fitchburg originates with Mr. Chapin, the sagacious head of the Boston & Albany, and that he has inspired Mr. Crane and Mr. Adams. If so, his idea possibly is that when the State plan fails, the Boston & Albany will step in to relieve it and assume the Tunnel.

However this may be, is there anything in the past of the Fitchburg or in that of the Boston and Lowell to impair the confidence of the State? They have not been pampered by State bounty, they have had no sops from the the treasury, they have provided second tracks in advance, extensive areas for depot grounds, (more than one hundred acres,) three or four miles of water front, and are constructing docks where four steam ships may discharge and three may load in a single day and float and sail at low water. They have credit and capital, ask no exclusive rights in the Tunnel, are ready to hire or buy the Vermont and Massachusetts line, and to start the new line in New York, and thus open a continuous and independent line to Lake Ontario and the Niagara River within six months after the Tunnel is open for use. This being done they will have the best and shortest route to the Lakes and the West; there they will meet with competition and will be prepared to meet it successfully; they will be able to compete with any one, and will conform to the lowest standard of prices, which will be settled at the West by competition.

E. Naderly.

Boston Times.

BOSTON: MARCH 9, 1873.

No 4

Consolidation.

The arguments of counsel in the consolidation problem, before the Railway Committee at the State House, will be given in the early days of the week, and doubtless will attract a crowd of people in the green room. It will no doubt be one of the ablest discussions of the session—not less interesting and not less important to the prosperity of the Commonwealth than the Woman Suffrage question or the Sumner resolution. In fact, not to make invidious comparisons of great things with little ones, this matter of consolidation—by this time, we trust, pretty well understood by our readers—is the question of the session, and involves not merely the interests of the merchants of Boston, but those of the Commonwealth, both in regard to its general prosperity and its large investment in the Hoosac Tunnel.

There are two distinct propositions before the committee, besides that introduced by the Railroad Commissioners for the State to operate the line; and these are the consolidation of the direct line and coercion of the Fitchburg Company, if they should decline to surrender their property; and, secondly, the consolidation of the Fitchburg and Lowell Railroad Companies, with authority to lease or purchase the other roads interested. This last has received our support, as not only feasible but capable, efficient, controlling, and the only way, for all that yet appears, in which a strong company, adequate to the objects desired, can be formed.

It is a little curious in this connection to know that this proposed consolidation is now opposed by certain New Hampshire lines after having opposed consolidation for a similar object in their own State. Why in the world did they not oppose the Albany consolidation for the same reason, or even the building of the tunnel, or any other thing that Massachusetts might chose to do? However, we do not think, after New Hampshire has so expressed herself on this subject, that her opposition or that of any of her corporations will be much heeded at our State House, Massachusetts, although disposed to be liberal to her neighbors, knows how to be just to herself. The truth is, however, that the consolidation here proposed will strengthen and profit both lines.

The plan proposed for the Commonwealth to run this line, as a regulator for the other roads, in order to reduce their dividends,—for we see no other reason,—does not gain in the public favor, and Mr. Quincy's influence is about the same in this direction as that of Mr. Crane in another.

Of course we do not know what conclusion the committee or the Legislature will reach, but we think we have already pointed out in these columns, in the best of our judgment, what will be the wisest course; and so strongly do we approve and recommend the consolidation of the Fitchburg and Lowell lines, that if that could not otherwise be brought about, we should be willing to have the State contribute to its pecuniary success, so important for the good of the enterprise and the Commonwealth do we consider it. Fortunately these companies, if so authorized, are able to accomplish all that they propose to undertake, "terminal facilities" and elevator included, and they alone can do it.

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RAILROAD CONSOLIDATION.

Fifteenth Hearing—Continued Statement of Mr Edward Crane—Address by Edward Atkinson, Esq.—Refutation of the State Ownership Doctrine—The Evidence to be Closed on Tuesday Next.

[REPORTED FOR THE BOSTON POST.]

Yesterday was the fifteenth day that the Railway Committee have devoted to the consideration of the Hoosac Tunnel Railroad consolidation. The attendance was by no means so large as it has previously been, and even railroad men who have definite points n view are rather inclined to come in late and listen languidly. The statement of Mr Atkinson, however, served to awaken the old-time interest, and while he was upon the floor every one listened intently to the arguments which he produced against State ownership and State management of railroads. There was an evident change of opinion in the matter, with the new light thrown upon the case, and there are many men who are fully decided that the policy is impolitic and dangerous. Previous to Mr Atkinson's remarks Mr Edward Crane put in additional testimony in support of the establishment of the Railway Trust Company.

MR CRANE'S TESTIMONY.

Mr Crane, in giving reasons why he included the Boston and Lowell road in his bill, said that, taken in a financial point of view, deducting from the cost of the Lowell road the value of its superfluous property, it would be enabled to carry passengers at 1½ cents per mile, which was a reduction of two cents per mile. Financially considered there could be but one side to the question. In relation to the Ogdensburg line he thought they would have been wise if, instead of buying steamers, they had spent the same amount of money in putting up warehouses and keeping an advertisement in one newspaper that they would store flour for two cents per barrel per month and corn at one cent per bushel per month with rates of transportation to Boston that would not change. Then there would have been a security which would be recognized everywhere, and business must necessarily increase continually. Mr Crane gave a recapitulation of the estimated cost of construction of the line he would form, and of the earnings of the through line of branches. With a line with a capital of $54,000,000 the earnings of the main line would be $10,513,500; earnings of the branches, $2,358,819; total, $12,872,319; less 70 per cent. for working expenses, $9,010,623; balance, $3,861,695; less six per cent. on the capital, $3,240,000, $621,695 net earnings. Mr Crane has other evidence to introduce at another hearing in relation to other matters connected with the line he represents.

ADDRESS OF MR EDWARD ATKINSON.

Mr Atkinson said it had only become apparent within a short time that the proposition for the State to enter deeply into the business of building, owning and operating railroads, beyond the completion of the Hoosac Tunnel, would be seriously advocated by any gentleman whose views are entitled to respectful consideration, and the business community had lately been suddenly called to meet this proposition, enforced as it had been with the urgency of theoretic enthusiasm, and backed up by the arguments of those who had long been preparing for the solution of the Tunnel question. Taken thus unawares, little time had been given for organized opposition to so dangerous a measure, and no sufficient time has elapsed since the discussion began for the collation of facts and the preparation of arguments based upon the experience of other nations, which experience he believed would entirely deprive the *ex parte* argument of the Railroad Commissioner of its force, if duly considered. A few gentlemen who had very profound convictions in regard to this matter, had signed a remonstrance against this unwarranted extension of the functions of the State and against any further action of the State toward construction of other roads or the purchase or operating of any road. The petition was signed by Edward Atkinson, Henry Saltonstall, John Amory Lowell, William Amory, T. Quincy Browne, William Carleton, Lee Higginson & Co., Geo. Tyler Bigelow, W. E. Carleton, A. E. Hildreth, S. W. Swett, E. W. Arnold, Geo. B. Chase, Edward Austin, L. F. Whitney, Fred W. Bradlee, Geo. B. Upton, Friend Tilden, William Endicott, Jr., James L. Little, O. J. Faxon, Benjamin F. Brooks, J. Ingersoll Bowditch, T. C. Faxon.

In behalf of these remonstrants he wished to state that the building or operation of a railroad by the State in its corporate capacity is in the nature of the case a question of taxation. In order to provide funds for such work money must be raised for such work, and the money must be raised either by direct taxation, or by the issue of bonds bearing interest, and this interest must be paid at least, and in case the enterprise be not commercially successful, money must be also raised by taxation for the payment of the principal. The right for such taxation may be contested, and has not yet been affirmed in this State by a Court of competent jurisdiction. It was an entirely new question from a loan, since that might be done without any payment of interest. It was assumed that it will be admitted that a service such as is contemplated in our organic law, must be general and common, not limited and partial, as this road must be if used, not to bring provisions into the State for distribution, but to carry them through the State to be shipped beyond the seas to the benefit doubtless of people of other lands. The only possible effect of success would be to cheapen in an artificial manner, at the cost of Massachusetts, the manufacturing of England, France and Belgium. Such an act ought to be entitled, "An Act for the Oppression of Home Labor and and for the Protection of Foreign Manufacturers." Where he was known at all he was known as the advocate of free exchange, but he protested against being taxed for carrying products out of other States, and then taxed again on the goods that come in in exchange for such products. The right of a city or town to construct a railroad at their own special cost was all ready to be carried before the Supreme Court of the United States, and certainly there could not be so much ground for a State as for a city to base such action upon. But if it were not an unlawful procedure, it would still be unfit, as has been proved already by the roads built in part by the State. Regarding the question again as one of taxation, each man has a right to consider the taxes which he has paid toward the construction of the road, and which he will be further obliged to pay in case the State operates the line, as so many forced subscriptions to a railroad enterprise to which he would not have contributed voluntarily, and which may be a positive injury to him or his business. Coincident with this construction of the railroad would be the construction of an equipment. Without any argument, he would challenge a single advocate of the "experiment" proposed to be tried, to affirm and prove that such work is likely to be done cheaply, effectively, or even honestly, by the State corporation. He might also challenge a denial of the allegation that such an experiment might lead to the most gross political malfeasance that would sap out the very foundations of public integrity. But the expense would not end here. Was it to be supposed that private capital will be eagerly invested in any branch of transportation, such as the construction of elevators and the organization of commerce, when the heavy hand of the State had just forcibly excluded it from one branch of the business for fear that it might reap over six per cent. profit? Another question that might be asked was whether it was a positive fact that the demand for greater railroad facilities from the Hudson river will be so urgent as to assure even the interest on the proposed investment? Whence was the business to come? Merchandise was already accumulating in Boston, and with the completion of the Boston, Hartford and Erie that accumulation would be still further increased. The State had money invested in this road, and if they should now take another to be worked at an artificially low cost, which, if successful, would delay the time when the money sunk in the Boston, Hartford and Erie can be recovered. He knew it was heresy to doubt that business would pour in a great flood through the Tunnel, but so long as the road ends at the Hudson river he could not see the signs of it. There were any number of empty cars running from the East to the West, and the Boston and Albany road brings six times more freight into the State than it carries out. If the traffic was there why was there not a little army of capitalists eager to bid for the Tunnel at more than its cost. Millions on millions of capital have gone out of the State into distant railroads, millions on millions more have given to the State itself more miles of railroad in proportion to its area and population than any other State yet enjoys—more than France, which has one mile of road to every twenty-six square miles, or Great Britain, which has one mile to every eight square miles, or England, which has one mile to every six square miles. Massachusetts has one mile of road to every 4 7-10 square miles. Yet not a single million ever went into the Tunnel, except that forced from the pockets of the people by due process of tax laws. The reason was plain: it was evident that no railroad man who knows his business can honestly say that the Tunnel will for years to come pay interest on its cost. Hence it must be tax! tax! tax! to the end of the chapter. But it was said that the State is in for twelve millions, and we must go in some twenty millions more to get it back. The Tunnel had cost five-fold the estimates, and there was no certainty that the remaining plan might not be increased in the same ratio? And how are we to compete with the Western States, free from debt, if we are handicapped with a burden, the magnitude of which no man can estimate. With the Western States underlain with coal and iron, and with an increasing population, and our own State loaded down with debt, we may well fear the future. There was reason to fear when the State by one statute places a barrier equal to 2000 miles where the Almighty only put 500 miles of real distance, and with another statute it is proposed to overcome 2000 miles of real distance by an artificial cheapening of the cost of transportation on 200 miles of road that constitutes a part of it, the rest of the way not being in her control. If the State did not burn its fingers in the adoption of State ownership, what would prevent New York from adopting the same plan, and sweep Mr Adams and his Board of Trustees, whom he proposes to go outside the limits of the State and hold railroads in trust for the State, down the Hudson river? No remedy for the corruption occasioned by railroads could be found by creating a railroad power inside the State corporation. All the benefits of such a consolidation have been realized by railroad corporations as they now exist, in the great reduction in the cost of and the charge made for transportation, notwithstanding the fact that the cost has nearly doubled. The charges are in reality 12 per cent. less on passengers and near 32 per cent. less on merchandise. It would seem that money men had become dazed by visions of future possibilities, and impatient of what appears to be slow progress would rush into a dangerous and unfit State experiment at a cost of millions, in utter disregard of the achievements of the past. But supposing the project a success, would it not defeat the very end it sought to obtain? The laws of competition are deep and searching, and it works to the ultimate harmony of interests. The rival railroads need not fear State competition if the State road be operated on true commercial principles rather than as a disguised charity or an enlarged and extended soup kitchen. In the latter case, one of two results must inevitably follow: either the State must take, own and control the whole State system of railroads or it must own all the railroad tracks and stations and open them to the common use of all who choose to run trains over them. Mr Atkinson spoke of the system of railroading practised in France and Belgium, referring to the constant pilfering from baggage and also to the price of transportation in comparison with the price of wages. The ratio of the charge on merchandise in Belgium of the 1st to 4th class freight as compared to the wages of the average laborer is $1 51 per ton per mile to sixty-two cents for wages; in Massachusetts the price it $2 81 to about $2 81 per ton per mile to $2 75 or $3, on first-class and second-class passengers, $2 43 to about $2 75 or $3. The Belgium system is very defective and the charges are relatively very high. Mr Atkinson also referred to Mr Towne's argument in favor of the "trifling little experiment," which even if it did cost $2,500,000 per year to support it, would be of great benefit to support it, and if it failed the State would lose nothing, for it could sell the road. Mr Atkinson thought the price for such property in such a market as would exist would be likely to be rather low and not at all remunerative. He did not think there would be any great price for the Tunnel when the State had failed to earn six per cent. by running the road.

The hearing was then adjourned till Tuesday morning next, when the evidence in the the case will be closed. The agreement as to final arguments is yet to be made, but they will probably be made during next week.

The Advertiser.

SATURDAY, MARCH 8, 1873.

Hoosac Tunnel Consolidation.

The hearing before the Committee on Railways, in regard to the consolidation of the Hoosac Tunnel Line and the Fitchburg and Lowell Railroads, was concluded yesterday forenoon. During the week Mr. Crane and some of Mr. Crane's friends had their say, and yesterday two or three private parties occupied the time of the committee with papers, more or less elaborate, more or less pertinent, and more or less interesting.

On this subject of consolidation, the whole community, like the Board of Trade and the Leather Exchange, are divided in opinion, and until they are fully enlightened on the subject will undoubtedly remain so. The plan for the Commonwealth to take the several railroad lines in connection with the tunnel, consolidate them in the hands of the Railroad Commissioners and run the whole thing on State account, has again been agitated and elaborated and its advantages set forth in glowing terms. One remarkable and perhaps suggestive consideration about the plan is, the urgency with which the Railroad Commissioners advocate it; but it is thought that in case the Commonwealth should adopt the plan, the management of the line might neither be intrusted to them or to Mr. Crane's friends. In this case there is the possibility of disappointment, which would not only be grievous, but might be deemed an unfavorable augury as to the success of the experiment. Perhaps the Board of Trade might like to assume the management of the line. The present impression, however, is that the State will not assume the line and will not, to please anybody, go into the railroad business, though it may and probably will conclude to hold on upon the tunnel.

The pertinent inquiry is if the Commonwealth assume the line, who is going to provide terminal facilities and erect the elevators! Nothing has been said on this point, unless it be the suggestion of Mr. Adams, that the Commonwealth can have the Navy Yard in twenty-four hours by asking for it! But he did not say whether the Commonwealth would get it by gift or purchase. We regard the proposition as extremely chimerical, and although it emanated from the commissioners nobody has given it much consideration. The truth is the only party prepared to furnish adequate terminal facilities and do the business of the proposed line, in the interest of Boston and the Commonwealth, is the Lowell railroad in conjunction with the Fitchburg road; and if the proposed consolidation of these two companies should fail, the success of the tunnel line in the effort to secure a large business, will be seriously impeded and jeopardized. This is the sober judgment of the ablest men who have considered the whole subject.

The arguments in the case will be heard before the committee in the coming week.

THE ARGUMENTS in the case of the consolidation of the Hoosac tunnel line, or the Fitchburg and Lowell line, will be commenced at the State House on Tuesday, and will probably occupy two or three days. The decison of this matter in favor of the Fitchburg and Lowell consolidation is considered to be of much importance to this city, so far as the improvements on the Mystic river land are considered. In case the legislature shall authorize this consolidation, the erection of one of the largest and most complete grain elevators in the country will be commenced on the Mystic river lands. Ch. Adv. Mar 15 73

BOARD OF TRADE.

THE SUBJECT OF STATE OWNERSHIP OF THE FITCHBURG RAILROAD.

An adjourned meeting of the board of trade was held at their rooms yesterday afternoon to consider the policy of the purchase by the State of the Fitchburg Railroad and the entire ownership of the tunnel line. The president occupied the chair.

Mr. N. C. Nash was decidedly in favor of the State purchasing the road and running it in the interest of the citizens. It was a plain fact that the navy yard, its land and abundant deep-water facilities could be obtained by the State and occupied as soon as the tunnel was completed. This road would regulate the trunk roads, so called, leading to the West. Massachusetts was fifty years behind France and Belgium in her railroad system.

The Hon. Josiah Quincy said he ought, perhaps, to explain his reasons for presenting to the legislature the petition for the purchase of the road. The importance of the question was very great. Experience had shown that competition alone could regulate fairly railroad rates. If parallel roads should be built they would not compete. They would say there is no use in thus cutting down our profits when by uniting we can increase them, and they would quickly consolidate. It was therefore necessary that there should be some road that could not be purchased, but which, running for the interest of the people, would force the other roads to the same plan. As had been said, the navy yard, which no private corporation could buy, could be bought by the State of Massachusetts, and the greatest curse to the mercantile interests of Charlestown would be removed. With such an addition as that would bring to Boston harbor he would not fear New York or any other seaport.

Mr. Edward Atkinson was opposed to the State management of railroads. Such experiments had been tried and had resulted in utter failure, always resulting in unjust taxation. It was not right for the country towns to be taxed to support a project which should only benefit the city of Boston. He did not propose to take any stock in an experiment of such great and national importance. He undertook to say that no man in the room would, if he considered it a contribution from his own pocket, put his money into the charge of the governor and council or the legislature, to be expended in the equipment or running of that railroad. He heard the navy yard spoken of as a curse. Why was it a curse? Because the national system of building ships and employing workmen there demoralized the whole working force of the city. That was exactly what the effect of the car and engine shops and all the employés of the State road would be.

Mr. Pickering wished that the question of the sale of the tunnel should be submitted to the people.

Mr. Derby, counsel for the Fitchburg Railroad, gave some of his observations of the working of the State roads in Belgium, substantially the same as those recently given before the railway committee at the State house.

Mr. Dresser though the last speaker was unjust in his description of the Belgium roads. Their object was to accommodate the people, and were not run in the interest of the corporations. On their express trains the fare for first class passengers was a little over one cent a mile, and the management of a road that could earn six per cent. at that rate of charge should be copied.

Mr. William B. Spooner thought there should be competition among railroads. A road that would carry a man 150 miles for $1 50 was wanted and could be had as well as not. There was nothing now to produce this. There was no competition and the trustees of the several roads now sat and considered and planned how they could make the most money.

It was voted that the business before the meeting be laid upon the table, and Mr. Plumer offered the following resolutions, the latter of which was carried:—

Resolved, That in the judgment of the Boston board of trade, no railway corporation not upon the natural and direct route between Boston and the Hoosac tunnel should be permitted to consolidate with any one or more of the companies whose lines occupy that route.

Resolved, That in the opinion of the board the State should under no circumstances part with its ownership in, or constant control of, the Hoosac tunnel.

Mr. Stark, manager of the Boston and Lowell Railroad, moved that the first-read resolution be laid upon the table, and it was carried.

Mr. Quincy then moved that Mr. Charles Francis Adams, jr. be requested to furnish for publication the statements made to the committee on railways of the views of the railway commissioners relating to the purchase of the Fitchburg Railroad by the tunnel line.

The motion was carried and the meeting then adjourned to next Monday afternoon at half-past three.

Professor A. Tachella was present and exhibited a beautiful model of his new fire monitor and escape. His invention was not brought regularly before the meeting, being overlooked in the press of business, but it was examined with attention by a number of gentlemen present. By the request of the president he will give a full explanation of its construction and working at the next meeting.

BOARD OF TRADE.

The Railroad Consolidation Matter Discussed—Committee Reports—The News Room and Custom House.

An adjourned meeting of the Board of Trade was held yesterday afternoon, for the purpose of further considering the various propositions now before the Legislature and the public for making the Hoosac tunnel available, to the fullest extent, to the business interests of the Commonwealth, and for opening a new consolidated line of communication between the State and the West.

THE NEWS ROOM.

The committee to whom was referred the subject of the Merchants' Exchange and News Room reported progress. In the matter of information by telegraph they were happy to say that the facilities for furnishing it would be on a much larger scale than promised in the circular of the 20th instant. On the part of real estate owners in the vicinity of State street—underwriters, banks and bankers—they found, in addition to the annual subscriptions, a disposition to subscribe liberally to the donation fund.

Owing to the interruption of business by the storm on Friday and the holiday on Saturday, the list of annual subscribers was far below the number required to guarantee the success of the undertaking. It was therefore of the greatest importance that no time should be lost in forwarding subscriptions for membership to the committee.

THE CUSTOM HOUSE ACCOMMODATIONS.

The committee appointed to consider the need of additional accommodations for the custom house reported that, after careful consideration of the subject, they had come to the conclusion that a new building should be erected for the use of the appraiser's department, for a portion, if not for the whole, of the surveyor's department and also for storage purposes. They believed it for the interest of the Government and of the port of Boston that measures should at once be taken to secure the vacant sites of land near the Custom House, created by the extension of Atlantic avenue and the filling up of docks, and to make arrangements for the proposed building.

The report was accepted, and John W. Candler, Samuel C. Cobb, Alpheus Hardy, Nathan Crowell and Hamilton A. Hill appointed a committee to address a memorial to Congress from the Board of Trade asking for such legislation as will authorize the immediate purchase of a suitable lot of land, and the construction upon it of a building for the use and purpose set forth in the report.

THE TUNNEL.

The following resolution of Mr. Plumer, offered last week and laid upon the table, was then taken up. The resolution was:—That in the judgment of the Boston Board of Trade no railroad corporation not on a natural and direct route between Boston and the tunnel should be allowed to consolidate with any part of that line.

Lansing Millen, general agent of the Vermont Central Railroad, was in favor of consolidation. It would give the State a power that would be independent of any monopoly, and Boston the key to a country of the largest resources.

Edward Atkinson said that a remonstrance against the purchase of the Fitchburg Railroad had been prepared, and had already received a large number of signatures. It would probably be presented to the legislature tomorrow afternoon.

MR. QUINCY'S PLAN.

The Hon. Josiah Quincy read a paper giving at length his views on the practicability of a great Western railroad, open like the [illegible] to all who choose to send their cars over it. He said with the present system of running trains at different rates of speed objections might be made on account of the danger of collision. But where trains follow one another at regular rates of speed and at regular intervals, they need no more interfere with one another than the buckets on a grain elevator. Such a road need own nothing but the road-bed and the stations, those who use it furnishing both the locomotives and the cars, or hiring of those who would be ready to supply them. The economy of such a system, that paid interest only on the actual cost of the road, and which avoided the wear and tear produced by the rapid trains, is evident. Besides, there would be no tariff rates, and no great train of officers to pay. A merchant whose car was returning from Boston to Chicago empty would take even high-priced freight at a very low figure.

The existing roads might run their lightning trains as at present, and the freight line take at a moderate speed and very moderate price the thousands who would avail themselves of cheap transportation. Such a road would save to the people millions annually in the prices of coal, provisions and the other necessaries of life, and utilize for the public the coal fields and granaries of the West. Mr. Quincy advocated the purchase of the Tunnel line by the State, that Massachusetts may have the honor of inaugurating a system that will confer inestimable blessings on the whole Union.

Mr. Atkinson said that since the last meeting he had been looking into the subject of Belgian transportation. He found the general statement which he made at the last meeting, that of the cost of railway service in Belgium, should be compared, not in its relation to the price of railway service in this country, but in its relation to the cost of other elements of subsistence and to the price of wages in Belgium; he found the statement to be more than true, that it would appear that the Belgium railway service was twice as expensive as that of Massachusetts. He then gave a series of figures showing the truth of this statement.

STATE OWNERSHIP.

Mr. Pickering and Mr. Nash favored the resolution and State ownership.

General J. S. Whitney felt that he ought to enter his protest against any action of the board that would tend to influence the State ownership of the railroad. He had for the last six years been employed as overseer of Government employes, and had seen the effect upon their labor. They were slower in their work and less particular than when working for private parties. He mentioned the new post office, the Hoosac Tunnel and the Charlestown Navy Yard as illustrations. The present proposition was fraught with an evil which must be apparent to every investigator of the mode of Government operations, and the difference between the cost of public and private enterprise.

He believed that the State should control the Hoosac Tunnel and charge as little toll as possible, but he would have the railroad consolidated if best, but still a private corporation.

The resolution was then put and carried.

RESOLUTION.

Mr. F. F. Emory offered the following resolution, which was carried:

Resolved, That the executive of this Board be requested to urge upon the Legislature the importance of devising at this session some scheme which will insure to the citizens of this Commonwealth, immediately on the completion of the tunnel, a direct railroad line to the West, which shall be inferior to no other road in the State in capacity, equipment and terminal facilities.

By special invitation, Professor A. Tacchella was present and favored the meeting with an interesting explanation of his new fire monitor and escape, which has already been described.

HOOSAC TUNNEL.

Sixteenth Hearing—A Word from Mr Atkinson—Testimony of Ex-Gov. Claflin, Henry J. Nazro, Esq., and Hon. Otis Clapp—Facts and Figures from Mr Crane—More to be Said, Etc., Etc.

[REPORTED FOR THE BOSTON POST.]

The hearing upon the question of railroad consolidation which has been conducted so patiently and upon such liberal principles is very naturally drawing to a close. It was supposed that the whole evidence would have been put in by the time the hearing had closed yesterday, but another day will be found necessary to complete the testimony. The attendance yesterday morning was much thinner than usual, and those only were present who were there from necessity looking after their own interests. The Committee were not all present and there was a general feeling of uneasiness and levity prevailing throughout the room, with a little impatience to be detected on the part of those who are of opinion that the history of the Tunnel, the roads connecting with it and their branches, present and prospective, has been pretty thoroughly discussed and that the time has come for definite action. The time of the hearing was occupied, however, with various statements, and others will be introduced on Thursday morning.

MR ATKINSON'S REMARKS.

Mr Edward Atkinson said that he had a few remarks to add to his evidence in reply to some questions which were put to him after making his first statement, which he was not then prepared to answer. After settling the point that the data which he presented in regard to the Belgian system of railroads were as late as any that have been presented, he went on to show that very decided conclusions might be drawn from the facts against the approval of a State railroad system with any view to an effective or cheap railway service in Massachusetts. Belgium has an area of 11,412 square miles, and a population approximating 5,000,000. She has a railway system of 2015 miles, or one mile to each 5 66-100 square miles and to each 2700 inhabitants, against one mile of road to 4 7-10 square miles and 879 inhabitants in Massachusetts. He observed that the necessity stated theoretically as a logical result has become a fact in Belgium, namely, that the purchase and operation of even a small portion of the railway system by a State, makes the purchase of the whole imperative. All competition is dying out, and it is the statement of Mr Malcolm that it is the prevalent belief that with the present steady increase of proportionate ownership by the State, within a few years all the roads will be transferred. He found also that the State policy in operating the roads had been extremely fluctuating, and that the State found itself unable to compete with rival lines on commercial principles, though it did not appear that the private roads failed to make money. At preset no rival line is allowed to reduce its charge for transportation without the consent of the Minister of Public Works. The present cumbrous system, which has made it clear that "competition is effectually dead in Belgium," has been in operation but a very short time, and that even in Belgium there has as yet been no experience under a stable policy to warrant any assertion that the State system is cheap or effective. He could not find, nor had there been, any tables presented to refute his assertion in relation to the proportion of tariff to wages, and the facts would seem to prove that the relative cost of railroad service was twice as large in Belgium as in Massachusetts. With regard to the relative advantages of manufacturing in New England and in the West, he would like to correct the statement that the cost of sugar was more than the cost of meat. At the factory boarding-house of which he spoke the expenditure for forty adults for twenty-seven weeks was: For meat, $586; for butter, $343; for sugar, $229; for flour, $209. Per week for each person, meat, 3 1-5 pounds; butter, 12½ ounces; sugar, 1½ pound; flour, 5½ pounds. The people were mostly French Canadians, who use an excessive quantity of sugar; with most of us the cost is about equal. For the year ending Jn. 30, 1872, we imported 1,460,000,000 pounds of sugar and about 100,000,000 gallons of molasses and syrup, and adding our own products, the whole amount would be about 52 pounds per year for man, woman and child. Taking sugar at 12 cents per pound and flour at 4 cents per pound, one pound of of sugar is equal to three pounds of flour or four and one-fifth pounds of bread. As to the matter of Western competition our advantages in groceries and in foreign dress goods will fully compensate for their advantage in the coarser articles of food. There may be an advantage to the South and West in the price of cotton, but they will for a long time have the want of trained labor, machine shops, spare hands, etc. Referring to Mr Towne's statement, Mr Atkinson said: "When I heard Mr Towne, of Fitchburg, expatiate upon the future possible decay of Massachusetts, unless she had her iron hand upon the railroad system and forced down the rates of transportation, I trembled for our factories and looked forward to the time when the wheels of our mills would stop, its machinery rust, and I should pack my few old clothes in a trunk, and depart with my children to those flat, detestable, home-sick prairies of the West, to begin life anew. I thought of the last glimmer of the State House cupola, the last sniff of the blessed east wind, the last reading of the Daily Advertiser, and then I went sadly home and dared not tell my children what made me so sad. But then I remembered Mr Josiah Quincy and his "Grand Union Anti-Monopoly Cheap Bread for the Million Railway League," and my heart burst forth in praises of him who would not only save my factory, but scatter blessings on thousands more, combining all the States into a great brotherhood of determined men and sisterhood of women, who never, never, never, will be slaves to the railroad rings that now feed on their blood and bone." But at last he went to his account books, where he should have gone at first. In the last three months a mill, of which he kept the accounts, converted 300 tons of cotton into 2,056,000 yards of sheeting. The amount of food consumed by the employes for the thirteen weeks was 17 tons of meat and 280 barrels of flour. The sheetings were worth $250,000. The railway charges on the meat at $15 per ton and the flour at $1 50 per barrel from Chicago, would be but $645. Of this, perhaps, $100 ought to be assigned to the Boston and Albany for 100 miles service to Springfield, and if the State would rapidly seize that road and operate it for nothing, he would save either five thousandths or five ten-thousandths of a cent per yard on the sheeting. Or, if the State would seize the Tunnel line and operate it at an annual cost of $2,000,000, he should save $200 a year on the freight of the food of their operatives, while their share of the State tax for the $2,000,000 would be $1100. Facts were facts, and the result was what ought to be expected from the State meddling with unfit work. It would be a gain of $1 to the citizen at a cost of $5. Mr Atkinson went on as follows: But now let me startle you a little more. Let me charge every man, woman and child in Massachusetts, say 1,500,000, half a pound of meat and half a pound of flour each per day, and you may claim that it shall all come from Chicago at a fair average summer and winter charge of $15 per ton, and how much do you suppose it comes to? 273,750 tons at $15 per ton would amount to $4,106,250. The tax you now impose on the people of Massachusetts for the annual interest sunk in the Hoosac Tunnel alone is nearly one-fourth of this sum. Will any advocate of further State ownership dare to reduce the figures I have given to the actual facts? We don't consume so much and it don't come so far. Is there any man who dares deny that the annual tax on this cost of the Tunnel is one-third, if not one-half, of the cost of transportation of all the Western flour and meat consumed in the whole State? Let me put this in a formula that he who runs may comprehend. When completed and in running order this Tunnel line will have cost $20,000,000. The annual interest on this will be at 6 per cent. $1,200,000. Taking the average of years this will pay the transportation charge on 1,200,000 barrels of flour or its equivalent in wheat from Chicago to the centre of Massachusetts, and that would supply every one in the State with twelve ounces of bread per day more than we consume. If this is true, and it cannot be gainsaid, the effort to compass the construction of the Tunnel, ostensibly intended to cheapen the bread of the people of the State, works at this time in such a manner as to put the great wheat fields of the West one thousand miles farther off. You still pay your $1,200,000 a year for bringing your flour, and you pay a tax equal to that sum in addition. On the one hand Congress has pushed the great food-producing British Provinces one thousand miles away from us by a national tax, and on the other hand the State has pushed the wheat field of our own country one thousand miles farther off by a State tax, and now the people are called upon to request you to enact more preposterous measures of the same pernicious kind on the false pretence of promoting cheap food for the poor. I have no patience with such unreason.

EX-GOV. CLAFLIN.

Mr Claflin was called to give tesumony as to the bill for the Trust Company. He could not see any other way out of the difficulty but for the State to authorize the thirty corporators to take the line and operate it at the least possible expense, and to charge nothing more than would suffice to support it. He had a good opinion of the management of the Post Office Department by governmental agents, and thought the State might as well run a railroad as to take the direction of any public institution. The best men could be induced to work in the interests of the State at a less price than they would serve private individuals or corporations. He did not know why the State might not go out of the State as well as any other corporation. A line to Ontario would be of great advantage, and every line in the route would be glad to connect with it. Mr Vanderbilt himself would make arrangements with it, and the insinuation that he would not would injure his feelings. As to the financial question, he had no doubt. Business must steadily increase and with it the profits.

HENRY J. NAZRO.

Mr Henry J. Nazro, for twenty-six years a flour and grain merchant in Boston, was in favor of the bill forming the Trust Company. He believed that a line of this kind could be managed successfully by thirty corporators to the benefit of the State and the people. What we wanted was a through line independent of the Albany road or the New York Central. The last Fall rate of flour from Chicago, by the lakes and Buffalo to Boston, was 90 cents; now it is $1 40 for a barrel of flour. When the winter locked, the latter freight went up. There was no reason why flour should not be carried as cheaply now as in the Fall. The result of State competition with the Boston and Albany Railroad would be to compel it to reduce its rates. Competition between the Albany and the Hoosac roads, if both were private roads, would lead to combination. In the hands of the State this would be impossible. The bill would relieve Boston merchants from many annoyances, inconveniences and impositions. He thought the State should take the Western road. Concerning State Directors, he did not know much in reference to individuals, except Mr Avery Plumer, but he knew that the efforts of the latter gentleman had been of great value to the merchants of Boston, and they regretted that he had not been rechosen a Director.

HON. OTIS CLAPP.

Hon. Otis Clapp was asked to give his opinion in regard to the Trust Company bill, and expressed himself as being very much in favor of it. The Tunnel occupied one of the most admirable points in the whole range of mountains from Canada to Long Island, and was the key not only to the trade of the West, but also that of the two continents. It was in the direct line of the great North Temperate belt of wheat-producing countries. All the railroads through Massachusetts from the sea to the lakes would not begin to accommodate the tremendous trade of the near future. There was no need for any jealousy on the part of one road in regard to the other. Mr Clapp also spoke of the effects of competition and combination, and the difficulties of dealing with and operating short roads, and also referred to the immense sums of money squandered in a useless manner.

MR EDWARD CRANE.

Mr Edward Crane submitted further statements and statistics in favor of the Trust Company. The net earnings of the Lowell, Fitchburg, Troy and Boston, and Vermont and Massachusetts, last year, were $933,515; add the amount saved and the earnings would be $1,256,718, which is equal to the accrued interest on the $15,000,000 and the dividends paid. Mr Crane also made a statement to show that the Michigan Central, Great Western of Canada, Lake Ontario Shore and Oswego connection roads would earn $5,397,353, and less interest on capital stock and debt the balance would be $679,543. Statements were also made with reference to watered stock in New York, the number of stockholders of different railroads, manufacturing statistics and other matters of interest.

The hearing was then adjourned till Thursday morning at 10.30.

PRESS AND POST.

MONDAY MORNING, MARCH 24, 1873.

The Tunnel.

The testimony and discussion on the final disposal of the Tunnel are terminated in Committee, and its expected report will place the whole question before the Legislature for that body's consideration. The closing arguments of Judge Hoar and Judge Thomas were weighty, searching and comprehensive; seeking only to discover the secret of the greatest public benefit in the case, and to fix it permanently among the future great economies of the State. Judge Hoar's views on State railway management are not more sound than they were conclusively expressed. He sees the political spectre, bringing a brood of corruptions in its train, that stands ready to step in and claim the operation of a road controlled wholly by the State; and he warns the Legislature against admitting a new element of centralization into government, to be struggled for as another prize in the contest of factions and parties, and employed for any but strictly public ends. And his argument for the Lowell and Fitchburg consolidation put the proposition with such impressive plainness and force that it could not have failed to reach the reason even of its settled opponents. The Crane scheme was snuffed out by him by a mere allusion. He knocked away its slender props with a single sturdy blow.

Judge Thomas argued with great strength for the Vermont and Massachusetts road, displaying in the best light the details of the scheme of consolidation for which he was an advocate, and enforcing his conclusions with marked vigor and power. His position is, that the State is amply protected in its rights by a bill of consolidation, whether it stocks its property in the Tunnel in a new line or controls it in another form. The idea of holding the Tunnel as a toll-gate, or bridge, he justly scouted as cumbersome and obstructive in practice, and wholly foreign to the spirit of the modern railway system. So long as the State retains the absolute right at any time to take full possession of the Tunnel, and the roads operated through it, it is amply protected; and if it turns in its property as stock in the new line, it does not therefore part with its control of the Tunnel as a public enterprise, while it can at any time take it into its own possession again, in connection with the other roads, at a cost not greater than that of the stock for which it makes the present proposed surrender. Should it determine at any future time to assume the ownership of the Tunnel line, its own share of the stock, held as the equivalent of the Tunnel's present surrender, would already be in its possession. Two points appear to be well settled by the hearings before the Railway Committee; that the State ought not to part with its control of the Tunnel, and that it should not attempt railway management. Consolidation in some form is not less established in the public mind as the only available policy, and to effect this it is essential that the State should become a stockholder in the new line to the amount of what the Tunnel will have cost. It is for the Legislature to pass such a bill as will secure all the public interests in whose name this great enterprise was originated.

COMMITTEE HEARINGS.

THE HOOSAC TUNNEL LINES.

The committee on railroads heard the arguments in behalf of the line between the tunnel and the lakes, and in behalf of Edward Crane's trust-company project. The attendance was hardly as large as on the day before.

T. L. Wakefield, esq., appeared for parties in New York State interested in the line from the west end of the tunnel to Lake Ontario. This line rests on four distinct corporations organized in New York. All the proposed lines to the lake begin at the point on the Troy and Boston road known as Eagles Bridge. Of these lines the Boston and Ontario road is superior by all to the Rome and Ontario, in grades and the character of the country, although the distance is about the same. His arguments would be first in regard to the importance of an independent through line; second, the feasibility of such a line; and third, its advantages compared with the New York Central road. Of its importance he thought there was no question. He referred to the evidence of Mr. Joy in the matter, showing the pressing demand at the West for increased means of transporting their grain to the East. This must be provided for, and the question is, shall this be provided for by existing lines, or shall a new and independent line be constructed? The New York Central is now before the New York legislature, asking permission to lay two more tracks along its line. But this business will be thrown into the hands of New York city. It is not the purpose, he thought, to make the tunnel simply tributary to the New York Central, but our ultimate design is to construct a through line to the West. Now the only feasible road, he claimed, is over the line whose interests he represented. Let the tunnel line end where it is and we are subject to the New York Central and at its mercy; only liable to relief by the northern line now in operation. That the independent line would be a paying one he showed by the testimony of previous witnesses. Mr. Wakefield then went on to speak of the feasibility of the line from the tunnel to the lake, dwelling on the easy grades and good character of the country. The two greatest obstacles would be the bridging of the country and at a point west of Johnstown known as Clip Hill. He spoke of the fertile and pleasant nature of the region in Saratoga and Fulton counties. In Saratoga the surface is sandy and admirable for railroad construction. Between Fulton county and the lakes the line runs in a region of great dairy farms. At one point alone, where the New York Central road runs nearest to this region, twenty cars are daily loaded with cheese, and this great business would be secured by the Boston line. Then in Johnsonville the manufacture of gloves and mittens amounts to a business of $5,000,000 a year. In the same county an immense tanning business is carried on. Then there are great numbers of paper mills, hardware manufactories, etc., along the line. These show the great local traffic which the line would have, as well as an immense through business. Now it is desired to make Boston the great export city of the country. Commodore Vanderbilt and his interest will divert every pound of freight to New York city that it is possible to do. This independent road must not only be built, but controlled by Massachusetts interest, or else Commodore Vanderbilt might divert the freight from this road to New York. There are various ways in which the control of this road can be secured to Boston. The consolidated tunnel line may be authorized to consolidate with this line to the lakes. Mr. Wakefield then went on to state the way in which consolidation might be brought about. The latter part of Mr. Wakefield's argument was devoted to urging the claims of the "Trust Company" scheme of Edward Crane. In closing he urged action as early as possible, as already as the Hoosac tunnel is approaching completion, efforts are making to divert the trade of the West to other cities.

The next hour and a half was assigned to E. W. Morton, esq., in behalf of Edward Crane and associates, but owing to the illness of that gentleman the argument was made by Mr. Crane himself, who set forth his well-known ideas on the trust company business in general and with reference to the tunnel line in particular. He advocated the consolidation of the Lowell and the Fitchburg railroads.

The closing arguments of Mr. Allen printed yesterday, and of Judge Thomas given at length, today, supplement each other, and together constitute an exceedingly strong presentation of the reasons in favor of the natural consolidation which is proposed by the Troy and Boston and Vermont and Massachusetts railroads. No other measure touching the transportation interests of this Commonwealth has for many years come before the legislature sustained by such a body of evidence, and enforced by such cogent and unanswerable reasons of public policy. The two arguments treat the subject from different points of view, and should be considered together. We commend them to the candid attention of our readers.

Boston Times.

BOSTON: FEBRUARY 9, 1873.

OFFICE, 12 SCHOOL STREET.

The Hoosac Tunnel Consolidation.

Since the announcement of the letting of daylight into the Hoosac Tunnel from the central shaft, and the Governor's urgent appeal to the Legislature for a consolidation of the tunnel railroad line, or the purchase of it by the Commonwealth, certain classes of the community have been considerably excited on the subject. It is supposed by some parties that Boston and the Commonwealth are to receive immense benefits from the business to be obtained by means of the Hoosac Tunnel, while other parties, who observe the great change in things since the tunnel was projected, look upon these expectations as not well founded. It may be that there are reasons to support each of these views; but the sounder sentiment seems to be with the sanguine party, and the practical questions now are how best to secure the business and how to provide for it.

In the Legislature the subject was promptly taken up by the Railroad Committee, and the hearing was opened on the 29th, chiefly on the point of a consolidation of the Tunnel line between Boston and Troy. As the hearing progressed it soon became apparent that there were different views on the question of consolidation and as to the parties which should be included in it. It is admitted on all hands that a very large amount of money is to be expended on the railroads in the increase of rolling-stock and in the preparation of "terminal facilities." It is well known that, excepting the Fitchburg Company, no one of the other companies in the direct line is in a condition of means or credit to afford weight or aid to the enterprise, and the Fitchburg itself is wholly without terminal facilities for the reception and shipment of any considerable amount of grain and Western produce to be expected by the consolidated Tunnel line. In viewing this state of things a strong opposition has manifested itself against the consolidation of a weak and incomplete line. This state of things, as developed in the hearings before the Committee, has suggested the plan of uniting the Fitchburg and Lowell Railroads at this end of the line in order to form a strong and controlling organization. This in point of fact is the question before the Legislative Committee, and which must ultimately come before the Legislature.

The subject is one in which the city of Boston is deeply interested, in fact represents the whole Commonwealth. The commercial prosperity of Boston is that of the State, and whatever promotes her interest benefits the whole Commonwealth. It is for her interest that the Tunnel line should be a strong and efficient line in every respect. The question, who shall or shall not be parties to the consolidation; whether the State will sell, lease or make a toll-gate of the tunnel, or join in a stock combination; whether one corporation shall absorb all the others, or whether the State shall absorb them all,—or better still, whether a new and independent organization possessed of adequate means and acquired facilities shall consolidate the line in the interest of all the parties and the public, remain to be considered and determined.

The great purpose of consolidation is to place the Tunnel line, whether to Troy or Oswego, under one management. This may be either a consolidation of government, or it may be a consolidation of capital and interests, or one partaking of both elements and leaving the tunnel in the hands of the Commonwealth. Consolidation itself is not a finality; it demands a process as well as a purpose. It may include parties in the direct line to and beyond the tunnel, or parties whose interests are similar and whose energies are directed to the same purposes. It may be effected by the Commonwealth, by one or more of the parties already named or by a new organization which may include all of the parties in interest.

In the consummation of this measure various interests are to be combined; various complications to be unravelled and reconciled; various conditions to be averaged and equalized; various ramifications near and remote to be followed out and concentrated, and all these are to be illustrated by the known conditions of the parties and a whole volume of statistical information. These are to be resolved into one purpose. What the Governor wants, what the people want, what Boston wants, what Oswego wants, what all parties want, is, that plan of consolidation which will place the line under one management and best subserve the public interests.

We want consolidation that shall be efficient, capable, commensurate with the purpose and business of the line; consolidation that shall be able to surmount and command obstacles, control means and produce the best, largest and grandest results. We want consolidation that shall be able to do this with promptitude, certainty and benefits. We do not want a consolidation that is to be nursed and nurtured; embarassed and trammelled; immediately and perhaps continuously incompetent; but one that shall show our earnestness, our means, our resources; and in its practical results, exhibit the business character and the business strength of that Commonwealth that penetrated the mountain for its highway and accomplished in this respect the grandest work of the age. That is the kind of consolidation that is wanted. That is what the Lowell and Fitchburg railroads want; that is what the people of Boston want; that again is what the Commonwealth of Massachusetts wants; nothing less; nothing impotent, nothing subjective. We do not want two or more feeble competitors; two or more insignificant rivalries. We want a consolidated line that shall be as solid as consolidation can make it; a consolidation that shall not flinch from any competition, whatever its character that may be imposed upon it. There will be competition, of course, because competition is inevitable. Competition is to the business world what electricity is to the physical; it can neither be got rid of nor dispensed with. We must have competition whether we want it or not, and we must be able and willing to meet it. There is no danger in competition; it is the very inspiration of excellence and efficiency.

But Massachusetts, in her present crowning enterprise, we think, need not compete with herself. We cannot afford to place the Fitchburg line in competition with the Lowell and weaken both, nor yet the two together with the Boston and Albany. Our competition must be broader, farther reaching, and possibly towards the great West it may be generous and noble. The competition of Massachusetts lines, however combined and consolidated they may be, must be with the commanding lines of the Erie Canal and the Hudson River, the Lakes and the St. Lawrence, or the great lines of railroads in these directions—if indeed, so rapid is the progress of development and increase in the Western country, there be any need of it even here. We are disposed to regard it as fixed as geographical lines can make it, and as certain as the fertility of the great wheat fields, that competition to any appreciable degree between the two Massachusetts lines, when in full operation, will be uncalled for and unnecessary. We should not seek it; we must not court it or fear it. The competition of the Boston and Albany road is today with the Hudson River and its lines, and in this competition—while both parties are overburdened with business beyond their means—not a nerve can be relaxed. No new conflict, if such were imminent or impending, can be engaged in, and we feel confident none will be necessary. Each line, were its capacity much greater than it is or will be, will have all the business it can do.

Gentlemen who talk of competition and rivalries take too narrow a view of this subject. The field is vastly larger than they are prone to admit, and there are millions of bushels of grain in the West awaiting the means of transportation to be afforded by this line. The Hoosac Tunnel, whatever it may be to us, will prove immensely beneficial to the West. The crops—this year to be burned as fuel in the severest winter known beyond the Mississippi—will next year find their way to the seaboard under the Hoosac Mountain. To meet the requirements, we have placed upon this consolidated line a new organization—potent as that which the Lowell and Fitchburg companies alone can make, and possessing facilities which they can already command, demanded, as we think, by the best interests of Boston and the Commonwealth.

W. W. W.

Daily Evening Traveller.

TUESDAY MARCH 25, 1873.

Hoosac Tunnel Line—Probable Results of its Consolidation.

The advantages of the Hoosac Tunnel line as an opening for western business, are eminently in the interest of the commerce of Boston, and not, as seems to be supposed, altogether for the benefit of the railroads interested in the line. In all that has been said on this subject the idea has been kept up that the Western business is to be immensely profitable to them, and the desire seems to be to limit these profits to the least possible amount. If the merchants have shown any interest in the matter, it has apparently been to see that the railroad companies are sufficiently restricted by legal enactments in regard to their management, their charges and their dividends; and to-day the only mercantile fear and effort appear to be against such a consolidation as may possibly impair to them the advantages which they hope for, from a close competition—as if a thoroughbred merchant does not know what competition means, what it is worth, what is the gain to the public, what the loss to private parties, what its permanent benefits—if any. We may say, however, that we do not believe all this of the merchants of Boston. They are themselves very largely owners and managers of the railroads and do not claim to possess all the integrity of the Commonwealth. They are not selfish to the degree to expect the railroads to work exclusively for their profit, and they do want a "railroad line to the West which shall be inferior to no other road in capacity, equipment and terminal facilities."

In view of these considerations, we propose to show what are likely to be the advantages of the consideration proposed, to the several railroads interested, taking the Boston & Albany road in regard to the Western business, as the basis of the calculations:

BOSTON AND ALBANY RAILROAD.

For the year 1872, the proportion of income used for expenses was 75 per cent. (on the Fitchburg 76 per cent.), consequently the net earnings were 25 per cent. of total receipts. This 25 per cent. being the entire earnings of the corporation, it, of course, includes all their most profitable as well as least profitable business, embracing passenger charges of 2 to 3 cents per mile, and freight charges of 2 to 10 cents per ton per mile. Passenger business being the most profitable, the net earnings on freight alone do not exceed 20 per cent. of gross receipts; and they must be further reduced when limited to Western freight, which, instead of 2 to 10 cents, will not probably average over 1 cent per ton per mile or about one-third. In order to be both liberal and safe we will call it 15 per cent. of the gross earnings and the rate 1½ cents per ton per mile. This will give a net profit of 19-100 of a cent per ton per mile, or for a distance of 200 miles, 38 cents per ton, and this rate applied to the business of last year, (668,273 tons,) to and from Albany and Boston, gives a net amount of $253,944, which is equivalent to its usual dividend on a capital of $2,539,440, or about 2½ per cent. on the actual value of capital employed in the Western business.

So much for the profits of this business to the Boston & Albany Railroad.

PRESENT TUNNEL LINE.

Omitting the Troy & Greenfield road and the tunnel, as the property of the State, the capital stock of the three corporations forming the present tunnel line is as follows, (debts not included):

Fitchburg Railroad	$4,000,000 00
Vermont & Massachusetts	2,860,000 00
Troy & Boston	1,599,000 00
	$8,459,000 00

And earnings for 1871, as follows:

Fitchburg Railroad	$316,737 93
Vermont & Massachusetts	105,886 75
Troy & Boston	30,830 39
	$453,455 07

Averaging 5 4-10 per cent. (after paying interest on the debts of the last-named companies), as the result of their joint earnings for 1871.

PROPOSED TUNNEL LINE.

Capital stock, as above	$8,459,000
Troy & Greenfield (assumed)	1,000,000
Tunnel (assumed)	6,000,000
	$15,459,000

To which add estimates, as follows:

Elevator, lands and docks	$1,000,000
Freight grounds and other improvements	1,040,000
Vt. & Mass. R. R. improvements	1,700,000
Troy & Boston improvements	1,790,000
Equipments	2,000,000
Total proposed capital	$22,989,000

PROBABLE EARNINGS.

There is not on the tunnel route any large cities like Worcester and Springfield to create way-business, and this line must depend almost entirely on Boston traffic each way. Nevertheless, for the present purposes, we will assume that the tonnage of the proposed line will at once be equal to the through tonnage of the Boston & Albany line, namely, 668,273 tons.

This amount carried 190 miles at a net profit of 19-100 of a cent per ton per mile, will give as the net earnings on the Western business $241,246

Passenger travel, assumed to be 125 per day, at $5, making $195,625, at 30 per cent. net profit 58,687

Total profit on Western business	$299,933
Add present earnings, as above	453,455
Troy & Greenfield, rent	30,000
Total net earnings for the line	$783,388

which gives 8 4-10 per cent. on the capital stock as above stated, instead of 5 4-10 per cent. on the present capital stock of these three companies, showing the following

RESULTS.

Present earnings of the corporations named, five and four-tenths per cent	5.4
Earnings of proposed line, three and four-tenths per cent	3.4

Reducing the joint earnings of the three corporations two per cent. and affecting each as follows:

Fitchburg stockholders lose four and six-tenths per cent	4.6
Vermont & Mass. stockholders lose six-tenths per cent	0.6
Troy & Boston gain one and five-tenths per cent	1.5

To effect consolidation in the face of this showing the State will have to complete the tunnel and improve the Troy & Greenfield road at what expense she may; the Troy & Boston may have to spend two millions of dollars in necessary improvements; the Vermont & Massachusetts very likely two millions; the Fitchburg road in elevator, &c., two millions or more, (unless the Lowell road shall be included in the consolidation,) and for additional equipment another two millions will be required—making altogether a sum of not less than ten millions of dollars. We are told that this money may all be had for the asking; and if this be true, which we do not believe, under the circumstances, a very large part of it will be expended unnecessarily.

Such being the promises of the Western business as regards the railroads, and such the demands for its accommodation, the question is readily answered whether a strong company is or is not needed for its development; and the remaining consideration is, whether such a company can be obtained, capable of making the large investments of money required, of doing the business promptly and efficiently, and takeng the chances of profit from an undeveloped business,—in any other way as well and as certainly as by the consolidation of the Fitchburg and Boston & Lowell Railroads.

W. W. W.

[For the Transcript.]

THE HOOSAC TUNNEL.

Mr. John W. Brooks, president of the Michigan Central Railroad, testified when before the Committee on Railways, that all the roads leading from Boston to the West are very high cost roads, in consequence of watering the stock to that degree that it now "hangs over them like an incubus."

But in mitigation of this violation of their charters, Mr. Brooks tells the committee "they must not forget, in considering this question, the fact that though these roads have this large amount of watered stock, they were built when labor was cheap, and you cannot duplicate them at their original stock, though perhaps you could do it at a great deal below the waterings of the stock and the original cost.

During the war and since then, this watering of railway stock has been carried on with a masterly hand of injustice to the labor of the country. Is it to be an admitted right for railway corporations, who receive their grants from the people, to water their stock to any amount they choose, and that, too, when the nation is without a legal currency, and hence normal values are destroyed? To build a railway now it will cost forty per cent. more than it will cost when we come to resume specie payments.

When we return to *money* values, the private individual will have to place his property on a gold basis, and why, I pray, should railway corporations be exempt from a like condition. What the roads have been watered from Boston to Chicago would lay a double steel track from city to city.

Now it is proposed by a majority of the Committee on Railways to consolidate the Commonwealth's interest in the Hoosac Tunnel, which has cost the people twelve million dollars, for seven million; but the Fitchburg and Boston & Lowell, two of the proposed corporations in the consolidation, are to reap the unearned and unexpended benefit of watering their stock seven million dollars, and this the State is to be held to in perpetuity. The condition that the Commonwealth may take the roads on six months' notice, giving for the stock what a share sells for in the market at the time of taking, will amount to a second watering of the stock, and this will be a perpetual bar to the State's ownership of the tunnel line.

The talent and ability that has guided the French system of railways from the first, far transcends anything accomplished by any State in this country. The charters of the French railways are for ninety-nine years; the last road constructed dates back to the parent concession. The companies are guaranteed ten per cent. on their investments, but out of this is deducted a percentage as a sinking fund, which will pay for the roads in about sixty-five years, leaving them to the Government at the marvellously low cost of interest of only twenty-five cents per annum on $500, the rate of interest being but five per cent. It is estimated that when the Government comes into possession of the roads the revenues received from them will be sufficient for their support. Now contrast the French system of railways, never watered a single cent, with our American, or rather that system permitting the watering of stock to unlimited millions of dollars; the question may well be asked, which of the two governments is democratic and just toward the people.

One other just principle attaches to the French system. The Government has the power of purchasing any line of railway after fifteen years from its concession. The price is to be fixed by taking the amount of the net profits of the seven preceding years, deducting the two lowest years and striking the average of the remaining five years. The Government is then to pay to the company for the remainder of the concession an annual rent charge or annuity equal to the average so determined, but not less than the profits of the last of the seven years. If we had this simple principle of law in Massachusetts how plain the duty of the Legislature would be in making the Hoosac Tunnel subserve the interests of the Commonwealth. I cannot see why, under the law of eminent domain, the State cannot value the roads connecting with the tunnel upon the French system of purchase.

N. C. N.

BOSTON DAILY ADVERTISER.

WEDNESDAY MORNING, MARCH 26.

THE TUNNEL LINES.

THE NATURAL PLAN FOR CONSOLIDATION.

EXTENDED REPORT OF THE ARGUMENT OF JUDGE THOMAS FOR THE VERMONT AND MASSACHUSETTS RAILROAD COMPANY BEFORE THE LEGISLATIVE COMMITTEE ON RAILWAYS LAST FRIDAY.

An extended report of the argument of Judge Thomas before the committee on railroads at the State house, last Friday, is given below. An abstract of the argument was given in the Daily Advertiser on Saturday:—

Mr. Chairman and Gentlemen:—

There were many things in the very able and ingenious argument of the counsel who closed this case for the Boston and Lowell Railroad, in which I concur, and one thing especially,—in a grateful sense of the courtesy and kindness and long-suffering patience of the committee. I wish I felt that, in return for that kindness, I could render you more substantial aid in the discharge of the difficult and complicated duty which you have to perform. It seemed to be well that everybody should be heard: the matter has been very thoroughly sifted. Looking to the composition, I may say, of the committee, and to the thoroughness and minuteness of the examination, there can be no reasonable hope that the matter will ever be better understood than now; and I know that this committee, having so thoroughly investigated the subject, would not be willing to defer it; that it would not meet their sense of duty to shift the responsibility from this committee to another, or from this legislature to another.

The importance of early action is obvious. The tunnel is a fixed fact; its opening a question of months only. There is, therefore, an imperative necessity for legislation at this session. With the earliest action, the time for preparation will be short. No plan can be suggested that is not open to criticism; but some plan has got to be settled; and about the worst thing, perhaps I may say, *the* worst thing, that this committee can do is to do nothing. It is, indeed, a very easy thing for those who have no property or special interest in the line to speculate and to wait. It is not so for the Commonwealth, as the owner of the tunnel; it is not so for the other owners of the line; it is not so for the general business interests of the State. To all these parties, *now* is the accepted time.

I do not think I share in the feeling of hostility which seems to manifest itself more or less here to our railroad interests. After all that is said, there have been no investments of capital in this State which have been influenced so largely by a consideration of the public interest; there have been no investments of capital in this State which have contributed so largely to the growth and prosperity, material and social, of the State; there have been no investments which, as a whole, have resulted in so small profits to the owners; or which, considering the relations of the corporations to the public, have been managed, as a general fact, with so much regard to the public interest. The relation which these corporations sustain to the public and to the Commonwealth, is a very peculiar one. They make millions of contracts every year. There are, perhaps, persons in this room with whom they make six hundred contracts a year—for every passage is a contract—and the marvellous thing is, that with this perpetual collision and conflict, there should be so little ground of complaint, and so few of the complaints which are made that are well founded.

Some things in the course of the examination have got to be pretty well settled:—

1. That there will be a reasonable amount of business for the tunnel line,—sufficient to warrant and justify the requisite expenditure upon it.

2. That this business cannot be well done,—cannot be done at all,—by four distinct, independent companies; that there must be consolidation; that the line must be under one head, one directing, one propelling force.

The necessity for consolidation in this case is peculiarly obvious, for unity of counsel and action is necessary, not merely for running the line after it is completed, but for finishing and equipping the line, so as to have reference, in every part of that action, not to the interests of any one corporation, but to the interests of the line as a whole.

I think the question of consolidation is a settled one. The only question is, under whom this consolidation shall be made; by whom it shall be managed and directed. And that resolves itself into another question, which is, substantially, whether it shall be run by one consolidated company, or whether it shall be run by the Commonwealth.

Now I have to observe, Mr. Chairman, that no other plan for the use of the entire line has been suggested but that which we present. The plan for the union of the Boston and Lowell and Fitchburg roads makes no provision for the Troy and Greenfield road, or the tunnel, or for the Troy and Boston road, as part of the line. It is the play of Hamlet, with the part of the Prince of Denmark omitted by particular request.

No plan has been presented for the taking and operation of the tunnel line by the Commonwealth. We have had an able argument to show that the State ought to go into the business of common carriers and expressmen; but the chairman of the railroad commissioners has not come down from the abstract into the concrete, from the speculative to the practical, from cloud-land to hard-pan. They have no plan, no bill. We have the plan of Mr. Crane put into a bill, and defended with ability and zeal. Such a scheme, as addressed to the capitalists of Boston, might challenge attention and consideration, but you feel in your bones that the Commonwealth is not to embark in such an enterprise. It is one of the things of which logic or figures will never satisfy you, with which the fancy is pleased, but which the cooler judgment, the sober second thought, rejects.

The petitioners have presented a plan for the consolidation of the whole tunnel line, to provide for the exigency to which the near completion of the tunnel has brought the railroads on the route,—and the Commonwealth as the owner of one of those roads—today. They do not say the plan is perfect in all its details, but that it is sound in principle, and just and prudent. It has at least these five features to commend it.

1. It carries out in a direct, plain and efficient way the policy upon which the tunnel line was begun, has been continued and brought so near to its conclusion.

2. Under it all the interests, rights of property and franchises necessary for a through-line from Boston to Troy can be secured on fair and equitable terms, and made at once available.

3. It makes just and fair and secure provision for all railroads that now have or hereafter may have occasion to use the tunnel.

4. It is the only plan that makes consolidation real and effectual.

5. It is the only plan suggested to secure an efficient through and local line from Boston to the West, which does not involve a radical change in the railroad economy of the State, or in its governmental policy.

1. Turning now to these points in their order, the course of investigation and much of the argument in this hearing have dealt with the tunnel line as if it were an abstraction, as if it had no local habitation, as if the Commonwealth alone had built it, and was now inquiring, for the first time, how it could use it. Nothing can be less true, nothing can be less just. Not a movement has been made in this enterprise that does not refute this proposition. The history of this line is the history of twenty years' hand-to-hand struggle to put it through by the people on the line. I will not repeat its history, it has been so well told by Mr. Allen; but that history clearly shows to whom we are indebted for this tunnel route. It was not the Commonwealth that initiated this enterprise. The people on the line began and, with the aid of the Commonwealth, carried through this work. It was the people who breathed into it the breath of its life. It was they who, through good report and through evil report, with their capital, with their labor, with their time and with their brains, put it through. The Fitchburg, the Vermont and Massachusetts, the Troy and Greenfield and the Troy and Boston Railroads are parts and parcels of one line,—the fractions of a unit. Every dollar that was put into these roads was put into the tunnel line; and the amount put in by private persons is vastly greater than that put in by the State. Estimating the investment by the Vermont and Massachusetts Railroad in the same way as you estimate the cost of the tunnel, that is with semi-annual interest, the amount is over $10,069,000, deducting the dividends received. The amount put into the line by the Boston and Troy Railroad, estimated in the same way, is over $5,000,000. The amount put into it by the stockholders of the Troy and Greenfield road, before its surrender to the Commonwealth, with interest on the principal ($700,000) must be at least $2,000,000; and the amount put in by the Fitchburg Railroad, estimated in the same way, deducting dividends, is not less than $7,000,000. Not less, therefore, than $22,000,000, for the ten and one-half millions, if that is the amount, put in by the State.

Now, for what were these investments made by the people? For two objects. First, the development of the country and its resources and the resources of industry on the line. Second, but not the paramount object, the opening of a new and independent highway to the West, easier in the end and cheaper than any other route. The claim, therefore, set up here, and upon which the changes have been rung from day to day, that all parts of the Commonwealth have an equal interest in the tunnel line, and that no arrangement shall be made which does not secure to them equal interest, is at war with geography, with justice and with common sense. To say that the cities and towns on the line of the Boston and Albany Railroad, for example, have the same interest in the tunnel line, and the same right to be consulted as to its disposition and management as the towns on that line itself, is absurd. The policy pursued by the Commonwealth in relation to the three great routes to the West recognizes the essential difference; it recognizes the locality of these different roads. The almost unbroken village from Boston to Springfield is the practical demonstration of the difference. Nor was it the sole object and purpose of this tunnel road to build up the city of Boston. The welfare of the people on the line seems to have been lost sight of in this discussion, though to their efforts and sacrifices we owe the line, and by their business the line will be mainly supported. No railroad has lived or can live in this Commonwealth upon its through business, or which subordinates its local business to its through business, and no such railroad ought to live. The supply of cheap fuel and cheap food to the mechanical and manufacturing industries of the Commonwealth is of far greater moment than the exportation of grain from Boston to Europe. Both things may be very good, but the latter is not to be secured at the expense of the former. No policy, therefore, as to the organization and use of this line is in itself just or equitable to the people upon the line, or to those who have invested their property in it, which does not recognize this difference, which deprives the people on the line of their interest in its management and control, which subordinates the local to the through traffic, or which puts the line in the power of any other competing corporation. Not a dollar would have been invested in this enterprise with such expectations or such fears. The people on the line of this road want a stream that overflows and fertilizes the banks, and not merely one that empties through high banks into the sea. I utterly deny the policy, the justice, and the right of the legislature to tax the people of the Commonwealth to build railroads, or to buy and use them for the purpose of building up the foreign commerce of Boston, or to make it the great commercial emporium for the export of grain. I do not say it is not a very good thing in itself; it is. But let Boston, which is to reap the lion's share of its benefits, take also the risk. A year's interest upon the investments in western enterprises would enable the city of Boston to do just what is wanted. The people of Boston do not ask you to do it. They would have too large a sense of justice and fairness to ask it. They can bear, as their recent history has illustrated, their own burdens, and do their own work.

2. This plan readily obtains and makes available all the rights and obligations of the railroads upon the line. Assuming that no plan of consolidation means to stop at the State line, you want the Troy and Boston road. The Troy and Boston has a perpetual lease of the Southern Vermont road; in effect, owns it. The Southern Vermont you must have. It is as indispensable as the tunnel itself. The Troy and Boston Company propose to put their own road and the Southern Vermont lease into the consolidated line at such price as shall be fixed by commissioners appointed by our own court. Nothing could be fairer than this.

The attempt to depreciate the value of the property was as unwise as it was unsuccessful. You are to take the road at its fair value today, or when the appraisement is made. The proposition made in the bill for the property of the Commonwealth in the tunnel is entirely fair, safe and just. It proposes putting the tunnel into the consolidated line at a price to be fixed by the governor and council, the servants of the State, or by three disinterested commissioners appointed by the supreme court. If the terms offered by the other roads are not satisfactory, the governor and council can decline to unite at all. [Bill, section 1, lines 25 to 31.] The Commonwealth cannot possibly lose by the operation.

Our plan proposes, in other words, to give every dollar that the tunnel is worth, with the benefit of the contracts, if they are of value, made in aid of it. If the tunnel is put into the road at its fair value, and the other roads at their fair relative value, and these values are represented by the stock, the Commonwealth will get the benefit of the appreciation or growth of its value by the increased value and income of its stock.

It has been said on the one hand by Mr. Shattuck, that if the tunnel is appraised by commissioners before its value has been developed, it may be sacrificed, put into the line for a song. On the other hand, it is said by the learned counsel for the Boston and Lowell road, that it may be put in at so great a price as to cripple the whole line. Well, it is rather a comfortable thing to think that both of these mistakes cannot be made at the same time. It is true that it is difficult to measure the value of the tunnel with great precision, but it is also true that its value can never be developed until it has become part of a consolidated line. As I have said, let the Commonwealth keep it as a toll-bridge, and run it with the Troy and Greenfield as a separate and distinct road; it will not develop its value.

As matter of property it is part and parcel of the tunnel line, and its value must depend mainly upon the efficiency and success of the whole line. You will not, it is said, put the tunnel into the line till its value has been ascertained, and its value can never be ascertained till it has been worked with and as part of the line. I impeach no man's motives, but if the aim and purpose of parties were to get the tunnel at their own price, to let it quietly drop into their hands, this is the best possible mode to reach that result. Used a few years in that way the Commonwealth will be very glad to part with it at a very moderate price. Indeed, the unity with and dependence of the tunnel upon the line are so evident that it has got settled down to this, that the Commonwealth must put the tunnel in some form into the consolidated line or purchase the remainder of the line to use with it. They must be one. This may not necessarily involve the parting with the title of the tunnel by the State, nor prevent the retaining of a power of supervision for the protection of other roads connected with the tunnel line. I think it is best to part with the title, but our plan does not necessarily involve it. It does not involve the direction and police of the tunnel. Nor would the State finally part with the tunnel by leaving it in the line. You can put such an amendment into the bill, that the Commonwealth can at any time take the whole line on fair and equitable terms.

But it is not merely the rights of the Commonwealth that are to be cared for. The legislature will equally respect the legal or equitable claims of the other owners of property on the line, and see to it that the men who early invested their property in the enterprise, and who have been waiting for the completion of the tunnel with the hope of getting some fair return from their investment, should not be wholly disappointed, and especially that other men should not enter into the fruit of their labors. The price of their stock in the market today will not compensate them, will not indemnify past losses. Their fair claim is for the completion of their work, to reap where they had sown, and to reap a matured and not a green or half-ripe harvest. If the consolidation of the line is essential to this end, then these parties have a fair and equitable claim to consolidation.

To say that other roads have the same right to the direction and control of the tunnel, is to ignore the whole history of the enterprise, and the reciprocal rights and duties which the joint construction of the line has created.

It is no answer, Mr. Chairman, to say that the claims of the petitioners are only equitable or moral claims. I should appeal to the legislature of Massachusetts with the same confidence in the vindication of a moral and equitable claim as a legal and technical one. I say with entire confidence that the Commonwealth, in establishing this line, is fairly bound to deal with the property of the other companies on the line as it deals with its own, including that faithful, sturdy and plucky ally, the Troy and Boston. After her persistent loyalty and faithful services to the line, to forget them and shut her out in the cold would be alike ungrateful and unjust; would not comport with the honor or the good faith of the Commonwealth.

3. The plan of the petitioners makes just and fair and safe provisions for all the railroads that now have or may hereafter have occasion to use the tunnel. Section seventeen of our bill, we submit, effectually guards and secures the rights of other roads. Not only is the consolidated road prohibited from charging greater rates for passing through the tunnel than in proportion to the extra cost of the tunnel to the consolidated line above ordinary railroad construction, but in case of any disagreement, the governor and council have power to fix and revise the rates. But even without this section, the rights of connecting roads would be secure under the General Statutes, chapter 63, section 117:—

"Every corporation owning a road in use shall at reasonable times and for a reasonable compensation draw over the same the passengers, merchandise and cars of any other corporation authorized by the legislature to enter with its road upon, or unite the same with, and use, the road of the first-named corporation. If the corporations cannot agree upon the stated periods at which the cars shall be so drawn and the compensation to be paid, the supreme judicial court, upon the petition of either party, and notice to the other, shall appoint three commissioners, who, after due notice to and hearing the parties interested, shall determine such rate of compensation, and fix such periods, having reference to the convenience and interest of the corporations and the public to be accommodated thereby; and the award of the commissioners, or the major part of them, shall be binding upon the respective corporations interested therein, until the same shall have been revised or altered by commissioners so appointed; but no such revision or alteration shall be made within one year after the award."

The statute of 1860, chapter 201, extends these privileges to railroads existing by the laws of other States having occasion to use our lines.

General Stark's plan is, *first*, union of the Lowell and Fitchburg; that is the foundation. Then take the Vermont and Massachusetts in with them at a fair price, and also the Troy and Boston in the same manner—thus getting both ends of the line in their power—and then treat with the Commonwealth for the use of the tunnel. "Will you walk into *my* parlor, said the spider to the fly."

Judge Hoar—That was not the proposition, judge.

Judge Thomas—I am quoting the words of General Stark. I am citing his evidence.

Judge Hoar—The proposition was to postpone it until after we had made our bargain with the State.

Judge Thomas—I have not heard such a proposition.

Judge Hoar—I said so yesterday.

Judge Thomas—I did not understand you so.

Judge Hoar—Exactly.

Judge Thomas—Well, the important poin in this matter was, that it was the *purpose*, after all, to get control of the tunnel, and in that matter General Stark is right, whatever he said as to the way and order of getting it. Mr. Brooks, who suggested that the State could operate the tunnel by a small organization, thought the *best course* was to equip the tunnel, and put it in the care of the tunnel line. "I have not a question," he says, "it should be in the hands of some one party." Mr. Allen asks him, "One management?" "Yes, sir." (Pages 21 and 22, seventeenth hearing.)

It is said you ought not to make any arrangement, or, if you make any arrangement, you ought to make one by which the Commonwealth should run the tunnel as a toll-bridge. And why? Why, because other roads may want to come into it! My brother Shattuck made a rather touching appeal to you, that the Massachusetts Central Railroad was in its infancy, and that the Commonwealth ought to tenderly care for this infant child. He might have made a still more touching one. He might have said this was a very delicate fœtus, insensible of motion, and that the Commonwealth ought not to make any movement for fear it should disturb its very sensitive mother and produce a miscarriage.

Some other objections to our plan, I now proceed to consider:—

The first, and the one upon which, perhaps, the most reliance has been placed, is want of adequate strength in the consolidated company. This has been discussed as if the only question of strength was a question of capital. I submit to you, with great respect, that there are two other important elements in the strength of this line.

1. The business to be done, of which it may be reasonably sure, present and prospective.

2. The facility and cheapness with which the work can be done, depending upon the comparative length of the line and gradients.

First, then, as to capital. If the original policy is carried out, and the Fitchburg comes into the consolidated line, there will be abundant capital. And she will come in. She feels today a little weakness in her *terminal facilities*, which has got up as far as the knee-pan; but when the legislature says to her, "Come in," she will come in. There would be, without the tunnel, at least fourteen millions of capital, with a debt of about two and a half millions; and the tunnel and the Troy and Greenfield, a property of some twenty millions. If there is business to be done—and this whole discussion is unimportant if there is not; this whole discussion assumes that there is business waiting to be done—there will be no trouble as to capital. Mr. Brooks says, that with business, present and prospective, there never was a railroad that lacked credit. (Page 17, seventeenth hearing.) Some witnesses have the organ of hope largely developed, others that of caution. But the whole talk about consolidation, the mode of using the tunnel, and terminal facilities, is mere talk if there is not business to be done.

The position of Mr. George, that you cannot get credit on undeveloped business, which was very much in conflict with that of Mr. Brooks, was aided by the illustration of the Hartford and Erie. I am not going into that discussion; but some people have supposed that the difficulty with the Hartford and Erie was not in the amount of money that went into the till, but the amount of money that has been curiously taken out.

But the construction of the tunnel route has proceeded upon the ground that by passing under the mountain you would save both in distance and what was deemed of greater moment, in gradients. Calling the distance saved by the tunnel line over the Boston and Albany eleven miles, and the cost of doing western business one cent per ton per mile, you save on the distance eleven cents per ton.

Second, the saving by gradients is more important.

On the division from Troy to North Adams, the same engine can take thirty tons more in a train than from Albany to Pittsfield.

On the division from Pittsfield to Springfield the ruling grade is five miles of seventy-five and one-half feet per mile. Assuming, as has been stated, that the average load of engines up this grade is eleven cars loaded with grain, making two hundred and twenty-four tons, gross load of freight cars; the same engine from North Adams to Greenfield, where the steepest grade is two miles of forty-one feet per mile, will haul three hundred and seventy tons; making a difference of nearly three-quarters additional service with the same power; that is to say, if it cost one cent a ton a mile to haul as much as the engine could take on the Albany line, it would cost say six *mills* per ton for what the same engine could haul on the tunnel line.

On the division from Springfield to Worcester, the ruling grade is two miles of sixty feet per mile, with five miles of fifty-one feet; on the corresponding portion of the tunnel line the ruling grade is four miles of forty-eight feet per mile, with seven miles more of forty-five feet per mile. A thirty-ton engine will take one hundred and ninety gross tons up the sixty-feet grade, and two hundred and twelve tons up the forty-eight-feet grade. The saving here is not so great, say a mill per ton to a mile.

We may thus make the saving by difference of gradients, five cents per ton from Troy to North Adams, twenty cents per ton between North Adams and Greenfield, and five cents per ton between Greenfield and Fitchburg; in all, thirty cents. Between Fitchburg and Boston and Worcester and Boston there is no material difference.

If these provisions of our bill and the statutes are not adequate to secure the rights of other roads entering upon the line, or in any way using the tunnel, let them or any of them say what further safeguards they want consistent with the consolidation of the line, and if they are fair and reasonable, the committee will supply them.

If the object and purpose of the objections are to prevent anything being done, the committee will see that such purpose does not succeed. If they want the running of the engines of a legion of corporations on one road, we feel it cannot be done with reasonable safety, and the petitioners can have no part in it. The Commonwealth finally settled its policy on this point by the statute of 1846, chapter 191, which prohibits the use of an engine of one corporation upon the road of another, without its consent.

Mr. Chairman: There is not a reason which applies to the use of the ordinary railroad which does not apply with infinitely greater force to the use of the tunnel. If that is imprudent, this is perilous. When men complain of our plan without the disposition or ability to suggest a better one, we cannot help suspecting that nothing is wanted or nothing would satisfy. That a plan so just and equitable to all should be called the giving away of the tunnel, would only be additional evidence that language is an instrument for the concealment of thought.

4. The plan we propose is the only plan that makes consolidation real and effectual. There can be no effective consolidation which does not include the use and supervision of the tunnel line. Viewed in a business light, the tunnel is nothing more nor less than four and a half miles of this line, which nature and art have made one and inseparable; in no railroad sense distinct from the four and a half miles east of it, or the four and a half miles west of it, except that requiring vastly greater caution, and attended with greater danger in the use, there is the greater necessity of its being under one responsible head, direction and control. The road of which it is a part cost more money, and may, must, charge more for freight and passage, and there the difference ends.

The putting the tunnel under a separate control and direction is fatal to consolidation; it is not consolidation; it is the chain with the most important link left out; it is the severed cable. The testimony of Mr. Joy on this point is that of common sense: "The company that controls the road must control the tunnel."

It may be possible that such direction and control would not invoke the *sale* of the tunnel, that the Commonwealth might find its compensation for the use of the tunnel in a toll for every passenger and every ton of freight, not to exceed a certain amount, and with a supervisory power in the governor and council to see that the rights of other roads are cared for, and that no unjust discrimination is made against them. But the running of the tunnel must be in the consolidated line. Whether the Commonwealth takes the whole line and runs it or the consolidated company runs it, the policy and result must be the same,—one unbroken line. Indeed, it were better for the *petitioners* that the Commonwealth should take and run the whole line, than to leave them without any supervision and control of the tunnel. Better for the petitioners, Mr. Chairman; I do not say better for the Commonwealth. The plan of treating the tunnel as a toll-bridge would be visionary, if it were not antediluvian. It seeks to make an exception for the four and a half miles of covered way on a railroad, because they are extra-hazardous and dangerous.

If such mode of use is feasible and safe, let the opponents of consolidation give us a plan or some notion of a plan. We have had no plan, and no evidence to show that it would be *either* feasible or safe. The Bergen tunnel was used for two corporations, but they have found it necessary to make another tunnel. The resemblance to the use of the bridge at Albany is very slight. The bridge is about a thousand feet in length; open to view; visible from one end to the other; it is at the end of the line and not in the centre; it is owned by the corporations using it, and not by a third power. There is all the difference between the use of that bridge and the use of the tunnel that there is between daylight and darkness.

The bridge over the Mississippi at Quincy is under the control and direction of one of the corporations,—the Hannibal and St. Joseph. The running of the Metropolitan road in London does not appear to be by distinct companies. The mode of running it by the constant use of the telegraph is that which General Stark explains. (Tenth hearing; page 12.)

Edward S. Philbrick, in his testimony on the Hartford and Erie at the hearing in 1870, gives as the result of careful examination, the relative cost of hauling on the tunnel line, the Boston and Albany and Hartford and Erie, as follows:—

Tunnel line	$1 00
Boston and Albany	1 18
Boston, Hartford and Erie	1 35

The question was put to Mr. Philbrick,—"A dollar would do as much on the tunnel line, as a dollar and eighteen cents on the Boston and Albany, or a dollar and thirty-five cents on the Hartford and Erie." —A. "Certainly; that is what I mean."

There will be strength enough in this line if there is any prudence in finishing and equipping the line. But if, following the suggestions made by the opening counsel for the Boston and Lowell road, you are, before beginning business upon the consolidated line, to have all the way a double steel track, equipment of engines and cars, and terminal facilities equal to those which the Boston and Albany has today, you will not have money enough, and you ought not to have it. No prudent man would think of investing money in such a quixotic experiment as that. No practical railroad man or man of business has indorsed such a course. Mr. Joy, General Stark, Mr. Brooks, all advise a very different method—that of common sense and common prudence. Put the road in good running order, perhaps with a double track throughout, and then let your means of doing business increase as the business increases. As General Stark says, lay out the ground-work, and make the improvements as the business warranted. (Eleventh hearing, p. 12.)

Colonel George expressed very happily the true policy: "Let me say another thing. No man was ever yet born full-grown; and no railroad was ever constructed in a day or a year. The law of growth is as inevitable when applied to railroads as when applied to mankind. You may build your road, but when you have built it, you take the business that comes upon it and it gradually increases with the development."

There is no accurate estimate of the amount necessary to be expended to put the line in reasonable condition and to equip it. Mr. Stearns has not made an estimate for improvements upon the road. His estimate for equipment is to bring the tunnel line to an equality with the Boston and Albany. He would use for terminal facilities, for improvements of the line, including the double track, some five and a half millions; for an equipment equal to the Boston and Albany, some four or four and a half millions more. But one-quarter of that sum for equipment would give the consolidated road, with their present equipment, 100 locomotives, 100 passenger cars, 28 baggage cars, 2000 eight-wheel merchandise cars,—making the whole amount of his estimate, including terminal facilities, six and a half millions. It is very apparent that President Stearns, without, of course, meaning anything unfairly, has carried this matter to the extreme point. Mr. Robinson, on whose judgment I think the committee have by this time learned to rely, thinks a million and a half would be sufficient for all purposes to begin with.

Another objection to our plan is the want of terminal facilities; that (as the case was stated) we have not got them and cannot get them. This view was modified in the argument of the able counsel yesterday. After listening to Mr. Quincy's description of the magnificent harbor of Boston, with its wharfage-front of some fifty miles, it seemed hardly probable that no place could be found to dump a load of grain. If so, what a splendid place it would be for the great emporium of the export grain trade! I should not fear, gentlemen, to leave the whole question the testimony of Mr. Quincy, Professor Whiting and Mr. Wilder at the eighteenth hearing.

The Boston and Lowell Railroad says it owns the lands and wharfage we want. They took the land under the right of eminent domain, because it was was wanted for a public use. They took it for doing the terminal business for the Northern line from Boston to Ogdensburg. If wanted for that line it will not be sufficient for the tunnel line also.

Judge Hoar—Most of it was not taken under the right of eminent domain.

Judge Thomas—As a lawyer, I say the principle is the same. The Lowell Railroad could not purchase it for anything but the uses of their railroad. They cannot speculate in land.

Jude Hoar—The fact being that they bought it, and did not take it under eminent domain.

—Judge Thomas—A large portion was so taken, as I shall show you in a moment, but it matters not how.

The eminent counsel who closed the cause for the Lowell road says the attempt to construct that Northern line is a hopeless failure. That is, I think, an overstrong statement; and I refer you on that matter to the argument of my friend, Mr. Choate. But if it it is a failure, the cause of the failure is perfectly manifest,—the want of that *effective consolidation* which we are seeking by this bill. That was the beginning, middle and end of the whole difficulty. Experience was said, by a profound thinker, to be like the stern light of a ship at sea,—it illumines only the path we have passed over. Otherwise General Stark must have seen that no consolidation was possible on the new line which does not seek to control the whole line, in which there is no break or seam.

My learned friend might also have seen, that his vast and expanded root, with so short a stump, was neither graceful nor useful.

We are not disposed to question the value of their terminal facilities, or their adaptation to our use. So far as that question is concerned, the union of the Boston and Lowell would be advantageous. The only point is, whether a question of public policy is to be settled upon such ground. If, as is made manifest by the Boston and Lowell, upon its own showing, admission and claim even, this land is not needed for its present business or for any business it has the prospect of doing, or the legal power to do, what then? Why, of course, if they do not need it, they will be happy to dispose of such part of it as is not necessary for their business.

But if they are not willing, what then? By the same right of eminent domain by which they took the land, it may be taken for a public use.

"The Boston and Lowell Railroad," says Mr. George, in anticipation of consolidation and increase of business over its lines, "came before the legislature (and I had the honor to make the argument in its behalf), suggesting that they would be glad of a special enactment to enable them to take land for the purposes of a passenger-station. The people came here who occupied that land; they showed that some thirty-five hundred people were in its occupancy, who would be turned out of doors. They claimed that we had, with our fifty-feet depot, all that would be necessary for that purpose. They laughed at the idea that a road only twenty-six miles in length could not get along with a depot fifty feet wide and six hundred feet long."

The Boston and Lowell Railroad can crowd out thirty-five hundred people from their homes to get land for their exigency, and where is the want of power in the Commonwealth, when that exigency has passed, to resume it?

The exact position the Boston and Lowell assumes is this: "We have got land and wharfage sufficient to do not only our own business, but all the business of the tunnel line, and you cannot so well get it elsewhere." *We do not need to get it elsewhere.* There is not a legal, equitable or moral right of this corporation which would be impaired in the slightest degree by taking that land, under the right of eminent domain, if they do not need it for their use.

Judge Hoar—Can you divide it?

Judge Thomas—Yes, sir. The Commonwealth can take the land of every railroad in this city, as much of it as it wants, paying only a compensation. There is no limit, that I know of, to this right of eminent domain.

But there never would be any controversy about it. The learned counsel say the Boston and Lowell and Fitchburg will quarrel no more. But if the Boston and Lowell would not accommodate us, we have, as is now substantially admitted, ample resources elsewhere, not quite so convenient, possibly, but very good. There are flats equally good lying by the side of the Lowell's Mystic property for sale, and the right of access to them is secured. As our friend Mr. Quincy said some years ago, the jurisdiction over Boston *flats* is a very extensive one.

By means of the Union Freight Railway, the tunnel-line freight can be carried, without change of cars, over the Atlantic avenue, and unloaded upon the wharves that lie between the railroads entering the northern part of the city and the Old Colony and Boston and Albany railroads, some fifty of them. For five and a half years, Mr. Wilder tells us, the steamers of the Dominion line, including the Lord Clive, the largest steamer that comes to the harbor, came to Constitution wharf, heavily loaded and without difficulty in coming in or going out. He also says that Constitution and Battery wharves have capacity for four steamers to lie, loading and unloading, at the same time; that if you should take the two neighboring wharves, ten steamers could load at the same time; that there is no difficulty in connecting these wharves with the railroads in the northern part of the city; and that there is space enough on Battery wharf for an elevator of the capacity of a million and a half bushels.

So if the Boston and Albany, having purchased fifty acres of flats at South Boston, which they are now filling up, should remove their freight depots there, as is not improbable, and dispose of their property in East Boston, then, as the Grand Junction crosses the Fitchburg some four and a half miles from the East Boston wharves, this property would afford abundant room for the tunnel line at a future day.

But, not resting upon any uncertainty, there is, as Professor Whiting of the coast survey, whose reputation you know, tells us, three-fourths of a mile frontage at East Boston adjoining the Grand Junction wharves and which may be easily connected with the Grand Junction road. The filling of the flats would give hundreds of acres of land for the wharves, which could be bought and filled as cheaply at least as the dump-wharf of the Boston and Lowell; and which would be nearer the outlet of the harbor.

The Fitchburg Railroad Company now own and do not use three to four acres of wharfage in the best water in the Boston harbor, with which their tracks are already connected, and on which, for a half million of dollars, an elevator of a million bushels capacity could be be built, sufficient at least for the first few years of the tunnel business; and west of these and below all the bridges are five other wharves, of some fifteen acres, which could be had on reasonable terms as they may be wanted. These wharves of the Fitchburg Company may need extending, but this may be done inland, by excavation, and at comparatively moderate cost.

To those familiar with the shore of Boston harbor, no argument on its capacities is necessary. We respectfully ask those of the committee who are not acquainted with it to examine it for themselves; for seeing is believing.

Another objection made to our plan, and I think the one having perhaps the most force, is what is said to be the hardship of compelling the Fitchburg road, with an eight per cent. stock, to share the risk of any experiment. Well, she is not *compelled* to come in; and if the consolidation of the tunnel line is essential to the public interests, it must come in by the Fitchburg road, or by some other way. The Fitchburg road cannot complain that she has been misled. The tunnel and the tunnel line are children of its own loins. No change of policy is proposed by this bill. From the union of the Worcester and Western roads she must have looked for such a result. Indeed, her concurrence in assent to this policy were of much earlier date.

If she comes in at her relative value she will have a dividend on seven millions instead of four. If the dividend is less per cent. the amount may be as large.

There is no reason to fear that dividends cannot be regularly paid, unless the extravagant outlay is made which her president and counsel suggest.

The local business will not be suspended; it must be increased. If the through-line can earn five per cent. net, the Fitchburg stockholders will gain three-fourths per cent., and if the line is managed with prudence there can be no reasonable doubt of that. If she is to have the advantages of the consolidation there is no good reason why she should not put her shoulder to the wheel and share the burden.

It is difficult to understand, I may say, with great respect, the position of the Fitchburg Railroad Company. Is she represented in the eloquent speech of Mr. Derby, or by the eminent counsel of the Boston and Lowell road? Is she looking to Oswego or to Ogdensburg, or to shelter only under the wing or the Boston and Lowell?

Judge Hoar—Looking to both. She wants to start fair, and then go ahead.

Judge Thomas—I have put three directions,—Oswego, Ogdensburg and the Boston and Lowell. Dr. Franklin spoke of the snake with two heads, who was looking from both. But it came across a twig which obstructed its passage, the heads bent on different courses.

She will not join, she says, with our weakness. She is attracted by the Lowell's strength. Well, I have a few figures here from the report of the railroad commissioners, page 158:—

The capital of the Vermont and Massachusetts is	$2,860,000 00
The capital of the Troy and Boston is	1,600,000 00
(Ninety-four miles)	$4,460,000 00
Debt of the Vermont and Massachusetts	$96,899 00
" of the Troy and Boston	1,965,000 00
	$2,933,899 00
Boston and Lowell (26 miles) capital	$2,234 000 00
Boston and Lowell debt	2,388,929 00

I do not mean that the Boston and Lowell is not more valuable in proportion to its length, but those figures do not show a great difference in trength for the Boston and Lowell.

I do not know how to meet another part of this case, and that is the appeal to the compassion of the committee for the stockholders of the Fitchburg Railroad, -the widow and orphan owners of that line. I never knew how to answer such an appeal. I am always touched by it, and I am always sensible there is nothing in it. Widowhood and orphanage would seem to be great calamities, but rhetoric owes them an immense debt. But I have one consolation, and that is, that the widows that my excellent friend, Mr. Crocker, visited in getting the subscriptions to this railroad, some thirty years ago, must either have rejoined their lords above or found new lords on earth.

An objection is made to the third section of the bill, that under it the tunnel line might be consolidated with the Boston and Albany Railroad. The section was inserted with no such view. It was taken bodily, I learn, from the act uniting the Western and Worcester railroads. The committee will, of course, see, by an amendment, that no such union is possible.

The last objection to our plan is, that it does not go far enough. Where is far enough? We waited patiently for the delegation from Alaska to say what was far enough, and they did not come. These things are certain. It goes as far as the Commonwealth, in constructing the tunnel line, ever intended to go. It goes as far as the Boston and Albany, whose business has increased one hundred and seventy-two per cent. in five years, with a decreased price of thirty-four per cent., whose grain business advanced from 794,930 bushels, in 1868, to 6,915,895 bushels, an increase of 770 per cent., in four years. It connects itself with the great canal, with the New York Central, whose capacity will be increased threefold by its new freight tracks, and which Mr. Joy thinks will, in spite of all opposition, command the western traffic.

The suggestion has been made, that some arrangement between the Boston and Albany and New York Central may deprive the new line of business. I have not seen in the course of this investigation the slightest evidence of any such purpose on the part of either of those corporations. I believe the Boston and Albany is satisfied today that there will be business enough for both the Boston and Albany and the tunnel lines. The New York Central has no interest to do it, and, in the long run, in spite of all that is said about monopoly, trade and business have their natural laws and natural channels, and they will find their way into and work through those channels. If there is a demand for grain in New England, and if it can be well exported, it will come.

A word, before I close, upon the bill for the consolidation of the Boston and Lowell and Fitchburg railroads.

The objections to the bill, as it stands, are very obvious:—

1 The *time* that everything is suspended, six years for the union with the Fitchburg, ten years for the purchase or lease of any railroads to Troy.

2. The grant of almost unlimited power, without any corresponding duty.

3. The right and power to purchase, without any obligation to purchase.

4. The power to consolidate and control two *competing* lines.

With the amendment proposed by the learned counsel yesterday, most of the objections remain.

5. The bill, as amended, makes no consolidation with the Boston and Troy.

Judge Hoar—You understand that we offer to put in such a section as soon as the committee will tell us what they will do with the tunnel. If they will adopt your plan and give you the tunnel, we will then have a similar section for the Troy and Boston.

Judge Thomas—That will remedy the difficulty, perhaps.

6. The bill makes no provision for the purchase or use of the tunnel as part of the consolidated line. There can be no consolidated line without both the Troy and Boston and tunnel road.

This bill has been advocated upon two grounds. The first is, the furnishing of terminal facilities for the tunnel line, and there is foundation and sense in that claim. I have discussed it sufficiently, and have no occasion to consider it further. The second—the most important, upon which the case was introduced—was the disentanglement of the crossings. This is a thing which, upon the evidence, ought to be done, but which has nothing to do with the settlement of the policy as to the tunnel line.

My learned friend suggested that when this matter was opened to the committee I said, "with something like a sneer," that the Commonwealth would know how to remedy that difficulty. I do not think I should have done anything so foreign to the habit of my friend as to sneer. I did not intend to; I did intend to express a just indignation at the position taken by these roads before this committee. I did mean to say that when the Boston and Lowell Railroad and the Fitchburg Railroad come before you, and tell you that there has existed for years a crossing which is perilous to human life every hour of the day, and that they can remove that difficulty by the interchange of the passenger stations of the Eastern and Fitchburg roads,—that this difficulty had existed for years, and they had slept over it; I did mean to say that they did not put themselves into a very creditable position as to these crossings, and I did mean to say that there was power in the Commonwealth, by the strength of its right arm, to remove the peril and protect the lives of its people.

Judge Hoar—The Boston and Lowell Railroad have nothing to do with it: their trains do not cross.

Judge Thomas—Well, the Fitchburg, then.

Judge Hoar—The Fitchburg alone. We want authority to do just that thing.

Judge Thomas.—If the statement of the witness be true, all that is requisite for this purpose is a change of the Fitchburg and the Eastern. It was stated in the introduction of this case—and great capital was made out of it—that a plan was reported by the harbor and railroad commissioners to relieve the difficulty, which called for an expenditure of six to eight millions. That was a mistake. The report of the commissioner did not concern simply or principally the disentanglement of the crossings. Let me state to you what that plan included. It included a large new passenger station for the Fitchburg on the west side of the Lowell; the taking of the whole block between Canal and Friend streets for a new dépôt on the second story for the Boston and Maine Railroad; rebuilding the Maine dépôt for a passenger station

for the Eastern on the second story, both the Maine and Eastern being carried over Causeway street and Friend street; the removal of the pile bridges across the river, and building in place of them iron bridges on stone piers, with turn-table draws, giving two passageways for vessels through each bridge; the raising of the passenger tracks of the Maine and Eastern from Somerville in, so that their passenger trains should be carried over the freight trains of the Fitchburg; additions to, and alterations of, the wharf accommodations of the several roads connected with this plan; also, building a new bridge in place of Craigie's, and a new one to Charlestown in place of the present, both to have turn-table draws, and double passageways for vessels; the reconstruction of a very considerable part of the material universe, and provisions for the next forty generations of men.

As I said, Mr. Chairman, upon the evidence before the committee, the difficulty will be solved by letting the Fitchburg road change passenger stations with the Eastern. The station-grounds of the Boston and Lowell and of the Eastern together will furnish ample accommodations for the Fitchburg and Boston and Lowell roads. Damon and Pythias can get along well together. If the consolidated line comes in by a new road it may be required to come in west of the Boston and Lowell. Take something like the thirteenth section of the Boston and Lowell bill, and make it compulsory, and the work will be accomplished. I hope it will be made compulsory.

In conclusion, Mr. Chairman and gentlemen, nothing in this investigation has shaken the faith and confidence of the petitioners in the policy of their bill. They ask for the consolidation of the roads from Boston to Troy, without a break in the line. They believe it is for their interest and for the public interest. But they have valuable property and interests at stake, and they await with confidence your action. They do not believe in the State assumption and running of railroads; but if the Commonwealth wants their property, they know the Commonwealth will give them fair and just compensation, and they would rather you would take it than suffer the evils and losses of delay. They believe that their plan of consolidation is what the people of the Commonwealth desire. They find that view reflected in the excellent address of the governor; they find it reflected in the petition of the citizens of the line, and of over twenty-one hundred business-houses of Boston. But, after all, I do not appeal to those. I appeal to you. The sentiment of the people of the Commonwealth is represented by its legislature. The public opinion of the Commonwealth is that which its legislature embodies in its laws. The result of your careful consideration and reflection, with your sense of justice, expressed in the statutes, is the public opinion of this Commonwealth for which I entertain respect. That is public opinion. There is another thing that we call "popular opinion," —ground out in caucuses,—as unstable as water, fickle as the wind, shallow as the summer's brook, —which, more than all other things else, dwarfs and shrivels the heads and hearts of the public men of today. I have all the respect for that popular opinion which it deserves.

The Gov. does not propose such a consolidation, but stops at the "State's western frontier."

Boston Daily Advertiser
March 28th 1873.

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THE TUNNEL LINES.

THE CLAIMS OF THE BOSTON AND LOWELL AND FITCHBURG ROADS.

FULL TEXT OF THE ARGUMENT OF JUDGE HOAR BEFORE THE RAILROAD COMMITTEE—WHAT WILL BE GAINED BY THE UNION OF THESE TWO INTERESTS.

Below we print a verbatim report of the argument of the Hon. E. Rockwood Hoar before the committee on railroads of the legislature, in behalf of the petition of the Boston and Lowell and Fitchburg railroads for consolidation of the two companies. We have already published an extended argument.

Mr. Chairmen and Gentlemen:—

It is a great many years since I found myself in the presence of a committee of the legislature, and it has been rather an unaccustomed field of service throughout my life; and perhaps you will allow me to say that what has made the most impression upon my own mind during the whole of this hearing has been the intelligence, courtesy and inexhaustible patience of the committee; for, certainly, coming up here to present, as well as I can, the considerations in favor of the legislation asked for by my clients, I have found myself in the midst of, apparently, a consideration of things in general. We could almost say that "the field was the world"; and I think you had a globe exhibited to you by one enthusiastic gentleman, and the relations of this question to the welfare of the human race set forth in the half-hour, or hour, or hour and a half, that the indulgence of the committee has been ready to extend to any gentlemen in the community who had views to offer.

How much the committee will expect us to say on the various plans, projects and enterprises which have been submitted to their consideration as having a more or less remote connection with the plan which I am to advocate, I can hardly determine. We find, prominent among them, the magnificent scheme of Mr. Crane, who invites the committee, the legislature and the people of the Commonwealth, to "walk into the prettiest little parlor that ever they did spy." I do not propose to discuss Mr. Crane's project. I do not think my duty to my clients requires me to say anything of the scheme or the schemer. I think that if, after the exposures of the last winter in relation to the Marginal Freight Railway, the legislature of Massachusetts proposes to incorporate Mr. Crane to administer a public trust, there is very little use of discussing any propositions before a committee of that body. I am only sorry that so many respectable gentlemen have been willing to consent to have their names used in such a connection. We do not propose, as I say, to reply at all to Mr. Crane. Whether his scheme amounts to an invitation to the legislature to go on a joint predatory excursion into the property of railroad companies, the committee perhaps can judge as well as we can. Making no answer to him ourselves, I think I should advise the committee and the legislature to adopt substantially such a form of an answer as that which good Master Dombleton, the silkmercer, sent back to Falstaff when he applied for some satin to make him a short cloak. The boy brought back the message: "He said, sir, you should procure him better assurance than Bardolph. He would not take his bond and yours; he liked not the security."

The discussion, gentlemen, which seems to me most important and appropriate principally relates to two measures. There is before you the plan for the Commonwealth to assume, as an experiment, in connection with its property in the tunnel and the Troy and Greenfield Railroad, the management of the line through the State, as an example to other managers of railroads, and as a possible source of profit and advantage to the Commonwealth. Upon that, I do not know that, in the interests of my clients, I need to offer any observations; because, Mr. Chairman and gentlemen, trusting the Commonwealth of Massachusetts as we all do, and must do, believing that, if they take any of the property of their citizens they will give its fair value to its owners, I do not know that the Boston and Lowell and Fitchburg Railroad companies have any interest in that question, independent of the interests of other persons and corporations throughout the Commonwealth. It is a great public question. Living on the line of one of these roads, being a citizen of the Commonwealth, with the ordinary interest in its welfare of other citizens, if I thought it proper to take up your time, I might give you some crude views of my own on the subject. I perhaps got a little prejudice pretty early in my life on the subject of State management of railroads, and the convictions of maturer years have rather tended to confirm them. A good many years ago I crossed the Alleghany mountains from eastern to western Pennsylvania, at the time the Pennsylvania road was run by that State. Our train came to a halt at a place where there seemed to be no reason for it, in the early evening; and the submissive passengers, who were very slow to question anything that was done to them, after waiting there for about an hour and a half, began to inquire into the cause of the delay, and at last learned that it was occasioned by the conductor having a call to attend a caucus in the neighborhood; his political duties, on the faithful discharge of which his retaining his situation somewhat depended, seeming to him to be more imperative, for the time being, than his duty to his passengers. I am a little afraid, Mr. Chairman and gentlemen, that whenever we see the State of Massachusetts running a great line of railroad, we shall find that the persons employed there are to be parcelled out among members of Congress, and that there will be State elections turning upon the relative influence that gentlemen who are acquainted with such ways may be able to bring to bear upon the management of the railroad. I cannot see any reason, if the State should run a great railroad, why it should not also have one or more lines of steamships connected with it, for the improvement of the commerce of Boston in the other direction. I can hardly see why they should not furnish hacks at the various stations of the railroad, do the express business, and in various incidental ways set an example to mankind of the greater beauty of State management, and the greater advantage to the people of having it done on a broad public scale, rather than in the interests of private owners. But I suppose the committee know all about these matters as much as I do, and they do not seem to me to present the issue which we desire to discuss. I wish, however, distinctly to submit, that if the proposition advocated by Mr. Adams for State management of this line of railroad shall be adopted, it would be for the interest of the State of Massachusetts, as much as for any other party, that the Lowell Railroad and its facilities should be taken as part of the plan.

It is obvious, that the question upon the petition of the Troy and Boston and the Vermont and Massachusetts railroads has a very vital relation to the bill presented by the Boston and Lowell Railroad Company, and the committee have directed us to present our views before that hearing was closed. I am sorry that the gentleman who represented especially the Fitchburg Railroad upon that question is called away by the condition of his family, and is unable to represent them in their objection to the petition for consolidation of the Vermont and Massachusetts and the Troy and Boston railroads with them. I have not a great deal to say upon that subject, because the Fitchburg road does not appear here to oppose consolidation, either with the Vermont and Massachusetts or with the Troy and Boston road, at the proper time and in the proper manner. They are opposed to the passage of the bill presented to the committee, as they consider it unwise, improvident and oppressive. The whole ostensible object to be accomplished by the bill, they think may be accomplished in a manner entirely wise, safe and reasonable.

I do not wish, Mr. Chairman and gentlemen, to take up your time with a discussion, to any great extent, of the condition and character of these two railroads, the Vermont and Massachusetts and the Troy and Boston. I shall want to think of them as well as I can, and I have a very great appreciation of the shrewdness of their managers for their own interests, and have no doubt that in a consolidation some of the same qualities may possibly be made serviceable to the Fitchburg road. They understand some things a great deal better, I have no doubt, than the Fitchburg Railroad Company do. I should think, from reading some of the newspapers, that they appreciated very fully the power of the press, and that we have an opportunity to read in the morning papers sometimes articles which, to any intelligent person who knows about it, represent precisely the public sentiment and the independent opinion that will be represented tomorrow by the counsel who speak before you. I am also aware of another source of public opinion, which my friends on the other side seem to be fully acquainted with. I believe there has been sent to every postmaster in the Commonwealth a printed circular, asking him to act as an agent in that behalf. Whether it was sent by the Vermont and Massachusetts Railroad, or by the Troy and Boston Railroad, or by whom sent, I cannot, of course, say, as it does not state in the communication to the officers who it was. One of the postmasters, who did not care to enter upon the agency, passed his copy over to me, and another one, I think, was received by my clients from a similar source. Let me present them to your notice:—

MARCH , 1873.

A new and first-class railroad route from the Hudson River to Boston harbor, via Hoosac tunnel, can soon be available. It should equal, if not surpass, the Boston and Albany road in developing the industries of the State, and as an outlet for western business. Another year should not be allowed to pass without perfecting the consolidation of the various roads naturally forming this great line.

Citizens appreciating the importance of this subject, and opposed to such commercial suicide as would be involved in the consolidation of the Northern line with the Hoosac tunnel line, are invited to sign and to circulate for signatures the accompanying petition to the legislature, and then to cause it to be presented, through their representative, at as early a day as is practicable.

MARCH , 1873.

To the Honorable, the Senate and House of Representatives of the Commonwealth of Massachusetts, in General Court assembled:—

We, the undersigned citizens of , respectfully and earnestly remonstrate against the granting of a certain petition to your honorable body, praying for the consolidation of the Lowell and Fitchburg railroads; and for the following reasons, to wit:—

First. The said roads are independent lines, each having a distinct local business.

Second. They each form parts of naturally independent and competing trunk lines from the seaboard to the West.

Third. The proposed consolidation would limit instead of enlarging a healthy competition for through business; and

Fourth. Would be adverse to the ancient policy of the State.

In view of the importance to the industries of the State of the early completion of the tunnel line, we deprecate the loss of time involved in the consideration of the petition of the Lowell and Fitchburg companies.

We regard the consolidation of the legitimate tunnel lines into one organization as the most important one now under the consideration of your honorable body, and as demanding the earliest possible decision.

Should the limited time of the the present session be insufficient for the due consideration of this subject, we respectfully pray that a special commission be authorized by your honorable body, to consist of three eminent and competent citizens, to be appoint by the governor and council, whose duty it shall be to report a draft for an act of consolidation of the Hoosac tunnel and the tunnel lines, including only such existing roads as will naturally form parts of such a through route.

I know that it did not come from my friends, the counsel on the other side, becuse I do not think they would request the people to say that they think the committee should not give us a hearing.

I dare say the legislature may receive some petitions of that kind, the signatures to which were obtained in that manner, and will understand their value.

The first consideration which I would present in behalf of the Fitchburg Railroad, in opposition to the form of the bill which is proposed, is that it involves an element which cannot now be calculated, and that is the Hoosac tunnel. The bill asks the State to put the tunnel into the consolidated line, and to have the value fixed in relation to the other parts of the line, by commissioners to be appointed by the supreme court, if the parties cannot agree. It is to be done, according to the proposition, within four months from the time of the

passage of the bill. Now, there is no Hoosac tunnel yet. It is a melancholy fact, perhaps; but it is none the less a fact. I do not mean to say, of course, that it is not reasonably certain that within a year, or a year and a half, there will be a Hoosac tunnel; that there will be an opening through the mountain, an avenue for trade, a place to put a railroad. Nor do I mean to say that the certainty of such an event is not sufficient to warrant and require the legislature and the parties in interest to be making preparations for what may follow upon the completion of the tunnel. But to do what this bill proposes shall be done to the Fitchburg Railroad, in anticipation of the opening of the tunnel, with the very great uncertainty which, on the best professional and other opinion, is found to exist; the great diversity of views as to the value of the tunnel; as to its use; as to the proportion which it can contribute to the business of the line to have the line successful; as to its being made a profitable pecuniary investment for the State, or merely a great work contributed by the people of the whole State, through taxation, to the public welfare, without the possibility of adequate return for the investment—with all these questions open—is to do in haste what you may have to repent at leisure. They are questions in regard to which I think even this committee, with all their experience, and with all the aid that interested parties have been able to afford, with all the evidence that has been laid before them, will find themselves unable to come to satisfactory conclusions; certainly, to any on which such large interests should be disposed of.

Mr. Shattuck, in behalf of the Massachusetts Central Railroad, objected to the State putting the tunnel into this as a part of one consolidated corporation, for the reason that the State could not prove before the commissioners what its value would be, and, being bound to prove it, it might be put in by the commissioners at a value very far below its ultimate value to the State, and thus an enormous gift be made to these petitioning parties, at the expense of the people of the rest of the Commonwealth. That is one view, Mr. Chairman; but the opposite view is to my mind just as strong, and makes the objection just as strong, certainly, to the Fitchburg Railroad. Until experience shall demonstrate the proportionate value to the line of that work, there is nothing in this bill to prevent the commissioners from putting upon this tunnel a fanciful value. That is, I do not mean that good commissioners would not be selected by our supreme court; I do not mean that they would not honestly endeavor to come to a fair result; but I mean that they will not have it in their power to determine, absolutely and satisfactorily, and for the future, what that value is, and that it may depend upon the notions of the commissioners; possibly upon their sanguine temperament, possibly upon the public opinion of the day, which of the conflicting views that have been presented before you, by competent and experienced persons, they will adopt; and the adoption of one may be ruinous, if it turns out to be incorrect.

See what you are asking of the Fitchburg Railroad—a railroad originally chartered from Boston to Fitchburg; the poorest railroad of its size, probably, in the beginning, that ever started in the Commonwealth. The story that is told so often of Colonel Crocker's blowing out one of the candles at a meeting of the directors, because they could not afford to have two if one would answer, is simply one of the indications of its early history. There was a larger subscription to the stock of the Fitchburg Railroad in the little village in which I live than in the city of Boston. It was built by neighborhood subscriptions. It was built for the purpose of furnishing local accommodation. Some of its original authors and advocates may have looked forward to extensions, to a great western business, &c., but that was all in the dim and distant future, and the road was not built upon that plan. It was built by little subscriptions procured by Colonel Crocker very largely, and other local friends of the enterprise, through the towns of Middlesex and Worcester counties connected with its line; and women and old men, and servant-girls who had little savings, were appealed to on the ground that it would be profitable; that it would be carefully, frugally and well managed, and a good place to put their savings; and I do not suppose many of the railroads of the Commonwealth have today so many stockholders who are stockholders of that description. They give a free ride at the time of the annual meeting of the road to the stockholders, who improve it to such an extent that you would think that three-quarters of all the women in that part of the State came down to do their annual shopping on that train.

A great many poor people, in moderate circumstances in life, are dependent on their stock in that road for the comforts of life as the result of their savings. They do not want gentlemen who live in Troy, and who own a road as an experiment, to come down here and confiscate their property. They want to have some little assurance of income; and when Mr. Richardson, on the stand, was asked whether the result of his plan here proposed would not be to prevent the Fitchburg road from making any dividends for two or three years, certainly, his response was, as I find on the printed notes of the committee, that "there were some things higher than money." Well, the remark did not excite at all a cordial response in my neighborhood, among the average small people. There are, undoubtedly, some things higher than money, but I rather think it is a matter of money, mainly, that induces these gentlemen to come here and present this scheme, and because they think it will be profitable to the property which they represent.

Now, what are you asked to do? You are asked to consolidate the Boston and Troy, the Hoosac tunnel, the Troy and Greenfield, and the Vermont and Massachusetts roads with the Fitchburg road, which is to come into the consolidation, at its peril, within four months, which consolidated company is then to go on and furnish all the terminal facilities, all the rebuilding of dilapidated railroads, all the double track, all the equipment, in order to be ready for this anticipated tunnel business. They ask you in this bill to compel the Fitchburg Railroad to do it,—under the penalty that if they do not, there shall be or may be, another road built from Fitchburg to Boston by their side, to destroy the value of their property. Well, have the Fitchburg Railroad and its stockholders deserved this of the Commonwealth? Is there any reason, if their managers should believe that this project would be ruinous or injurious to their interests, why they should be exposed to such a penalty? What is the condition of these roads, and of this tunnel, with which they are asked to unite? Anybody can draw a magnificent picture of the future of this tunnel,—that all the commerce of the earth is to concentrate there. You may go to the Pacific coast, and to the China trade, and everything of the kind. We have heard outside indistinct echoes, and the gentlemen of the committee must have a painful sense in their ears when they remember the Hartford and Erie hearings, and a great many others that have been had in this room, of what glowing and magnificent descriptions can be drawn by gentlemen who come here for legislative grants.

Of the tunnel, the State and the committee know full as much as I do. The gentlemen who represent the Troy and Boston and the Vermont and Massachusetts railroads have undoubtedly had as much to do with the tunnel as anybody, and are as deeply concerned in securing its construction and completion. With any profit that the State shall make on it, they are not, as I am aware, quite so deeply interested as the rest of the people of the Commonwealth.

Now, what is the condition of these roads? The Troy and Greenfield road is now the property of the State, and the governor, in his message, has told the legislature in what condition that is. It is called a railroad; but, according to his description, you would think that it required, in order to make it good for anything, about everything that would be required on a piece of land before any railroad was put there. I take his description for that. Well, we have the Troy and Boston Railroad, which Mr. Allen has eulogized, and which, I have no doubt, as far as he stated the facts, answers the description which he gave of it. It has a favorable route as to grades; it is capable of some speed; and it will be, with suitable equipment and double track, a very good part of the continuous line through the tunnel. As to its stock having been watered, and as to whether debt is the same thing as capital, in regard to earnings and dividends, I should feel a little inclined to dissent from some of the views presented, if I thought it worth while to take up time in discussing them.

The other day, my friend [Mr. Allen] stated two propositions. The first was, that it had never watered any of its stock; and on that he furnished us with the familiar arguments by which all companies that water their stock show that it is not really that; that it is past earnings, or some mistake in keeping the construction account, or something of that kind. You will find the same thing said in every case where it has happened on the face of the earth. And then, following the pattern of the line in the song, "I didn't love; but if I did?" he proceeds to show that there have been some excellent examples of watering stock by very substantial railroads, and that even these petitioners, the Fitchburg directors, once or twice in a report (although they never did it), mentioned it to their stockholders as something that might, on a small scale, be done advantageously; and the Lowell Railroad once came so near it as to issue some scrip dividends, payable either in stock or money, and which they now have the money in the treasury to pay in the coming October, and they do not, therefore, propose to do it. They have not actually traced anything of the kind to either of the parties which I represent. The State, they say, once took its share of a pretty notable watering; but my friend forgot to add that the State passed a law prohibiting all such transactions for the future, so that it cannot be done by the railroads in the State of Massachusetts any more. I thought that the whole result of his comparison with the doings of other roads and of other people amounted to about the same as if a man should say that his character was a compound of all the frailties of the most eminent saints mentioned in Scripture. Mr. Chairman and gentlemen, does it strike you that there is any difference about this watering of stocks between a dividend-paying company, free from debt, and one that is neither free from debt nor dividend-paying, and that it makes a little difference in the character of the management?

On the subject of earnings, you have had before you the reports of that company, and it was pointed out that there had been no such change in the value of the property as there had been increase of capital and debt. When you came to their earnings, we said their net earnings were about $30,000. They say they have paid the interest on their debt, and it should all be averaged between their debt and stock. I think the fact of their having to pay interest on the debt first, and that being absolute, makes a great deal of difference in the value of the stock. They have not laid before this committee what the market value of that stock is. I do not know that anybody sells it. It may be owned by a few gentlemen of wealth in Troy, who are anxious that the Commonwealth of Massachusetts should enable them to realize the reasonable expectations they have entertained. Whether there is any sale for it, whether anybody ever saw it quoted, I do not know. No evidence has been laid before this committee, that I know of, concerning its value. Their last report certainly shows that after paying the running expenses, and the interest of the debt, all of which have to be paid before any results of profit to its two millions and a half capital stock ensue, they had $30,000 left of the earnings of the year. I do not mean to say that there is not a great deal of value in that road; I do not mean to say that it does not represent property; I do not mean to say that it may not be very great wisdom to consolidate that road with the line from Boston to the Hudson River; not at all. I think all these things may be true. But, Mr. Chairman, when you are looking at the power of furnishing credit and additional capital, you have got to look a little at the value of the stock.

Is everything to be done by borrowing money and putting it in? The State has borrowed its money for the tunnel, but the State puts that in liable to its debt, which the State is liable to discharge if it does not get the money out of it; but you have a road in that condition, as to apparent value of stock and earnings, and returns upon its stock, joining with the Vermont and Massachusetts road,—a road against which I have nothing to say either as respects its management or its value, but which, putting the most favorable construction you can upon it, is a road which has struggled

along, its stock once as low in the market as eight dollars a share, and which I suppose its present large owners have bought up at from eight to thirty or forty dollars a share, and have nursed it up until it is now, I am told, worth about eighty-seven dollars a share; and if there comes in a prodigious response to these petitions sent around to the postmasters, I would not wonder if it was up to eighty-nine before this hearing is over; but both roads, one of them without any quoted market value to its stock, and the other with its stock below par, and a large debt, and that road requiring very large expenditures to put it into condition to do the large business of a through line, and the State, with its proper disposition, undoubtedly, to get all that it can as remuneration to the people of the other parts of the State, and make it serviceable as a railroad line for its tunnel,—they ask to have that combination come down at once, a year at least before the tunnel is to be completed, upon the Fitchburg Railroad Company, that has paid for all its property; that has omitted dividends until it paid its debts; that has made careful and wise investments of property for its existing business,—a road of absolute credit, of conservative management (they find fault with it that it is not as enterprising as some of those roads that use money much more freely); but a road that has done nothing questionable, that I am aware of, in its public relations to its property. And they ask the stockholders of that road to put their property in, and to invest their strength with this weakness in an experiment to get this through Western business and make another competing line. Well, the Fitchburg Railroad object; they think that that is not the right end to begin, Mr. Chairman and gentlemen; and now I propose to tell you, in behalf of my clients, somewhat briefly, I hope, where they think is the right end to begin.

You have the Lowell and Fitchburg railroads, each of them with very good and sufficient accommodations for their local business, and all through business at present; each of them roads in good credit; roads which, if you run through to Nashua on the Lowell, are only fourteen miles apart. And you find that, in the expectation and hope of building up a great Western business, the Lowell Railroad has made large investments and large preparations, admirable preparations, for the accommodation of that business. Well, the Fitchburg Railroad is asked to come into partnership, a consolidation, with reference to doing this great business, and without, at present, adequate accommodations. Here you have the man with the appetite and the man with the dinner, and why should you not bring them together? The Lowell Railroad (without going over what was so fully stated by my friend Colonel George in opening the case on our part) has its ten acres in Boston, its thirty odd acres in East Cambridge, its thirty acres at the Mystic flats; it has the south Mystic channel already dredged. The engineer who testified before the committee the other day, and pointed out that you could not get up there on account of the bar, was unaware that the work was already done; but it is. They have now wharves ready, which, on the testimony of the pilots, are the best places in Boston harbor for vessels to get in and out, at all stages of the tide, where any amount of foreign commerce can be accommodated in loading with grain or provisions; they propose to put up their elevators: they have a magnificent passenger-station, which is approaching completion. They have already at Boston exactly what my friends propose that they and the Fitchburg shall proceed to procure, and it is already at their hands. But it is said that this was provided for another line, and the argument to which I shall advert presently, about competition between other lines and different lines, is brought to bear in that connection.

Gentlemen, Massachusetts is not a very large State. If you count the whole of the Fitchburg and Lowell roads and their interlacing branches as one road, it does not make a very large divergence of one road. You have in the State of Massachusetts, counting the northwestern, the western and southwestern three diverging and competing lines extending toward the west, in this little—territorially little—Commonwealth of ours. One would say that there might be all the competition that would be needed between three roads, pressed into so narrow lines as these. When you come to the matter of competition, Mr. Chairman and gentlemen, and think of your Hoosac tunnel and the twelve millions of dollars that we have all had to pay or bound ourselves to pay, which certainly is a pecuniary interest of a very large magnitude to the people of this Commonwealth, do you think the State of Massachusetts wants to run a very active, new competition, in its own interest? Do you think that it is for the interest of Massachusetts, with this undeveloped tunnel route on its hands, to insist upon it that it shall not take the most economical, direct and simple method of making it valuable and profitable because you propose to keep up, and foster and stimulate a competing line to it up through New Hampshire, and a New Hampshire road comes down here and states to you that competition is desirable, and that, if you don't allow the Lowell road to join in this enterprise it will stimulate them to active competition and to make things come cheaper?

The bill which my clients present is not perfect in its present form. It is not claimed that it is, at all. But whatever it is, as it stands, though attention has been called to the numerous railroads that it allows the consolidated line to buy, or lease or consolidate with in other States, such as it is, it has received the sanction of the Commonwealth. The legislature have passed that bill, and, so far, after full consideration, adopted the principles involved in it. But so far as building up a northern line is concerned, Mr. Chairman and gentlemen, that bill has been a failure. They have tried that experiment. As the Frenchman said when he was invited to a fox-hunt, "I have been." We have been there, and we have just come from there. We have had Governor Stearns on the stand before you. Why, undoubtedly some gentlemen in the grain trade will come in here and say that that northern line has made things cheap. I guess it has; and the tunnel route will be cheap if the State will put it in for nothing, and the capital of the Fitchburg Railroad can be expended in trying the same experiment, and with the same result that has attended this experiment of the Lowell Railroad, made in good faith, made with the attempt to carry out the purpose which the Commonwealth had when this act, to which we propose an amendment, was passed. That line is crumbling to pieces today. I am told by the manager of it that they were but yesterday to decide whether they would let the paper go to protest of one branch of it; that they are trusteed for the money that is coming to one by another. You see by the newspapers the condition of these Vermont roads in their courts,—a general scramble apparently going on there for the wreck of a mass of property that has been managed in a way which the courts have to investigate, and so I need not say anything about it. You find the State of New Hampshire disposed to play the part in New England of New Jersey, and that the Lowell Railroad has been unable to get the authority of the State of New Hampshire to consolidate with the Nashua and Lowell Railroad as far as the town of Nashua,—that little road which they substantially own, run under contract, and which is, at present, a substantive part of the Boston and Lowell road. But the legislature of New Hampshire refuses to have this consolidation take place. There was a loss on the lake steamers last year of $100,000, and on the lease of the Ogdensburg road of $100,000 more. The Northern Transportation Company, that furnishes the cars to run that line, on a contract, has sold 500 of its cars to go to the Grand Trunk line for want of employment for them. The thing is breaking to pieces; and these gentlemen who come down here from New Hampshire and tell you to hold the Boston and Lowell Railroad, and make them continue to contribute of their money to do a cheap business, without any returns, have been trying in every way to get the advantage of the Boston and Lowell Railroad, and some of them of each other. We have had Governor Stearns's testimony here, and I am indebted to Colonel George for a hasty abstract which he made of it, which seems to me to give such a true picture of the result that I will venture to read it:—

Governor Stearns's testimony shows:—

"First—That the Boston and Lowell road, the terminus of the Ogdensburg line, has for years been making strenuous efforts for the consolidation of that line, and has failed in its efforts.

Second—That the Concord Railroad, the next connecting, thirty-five miles long, has been bought by speculators, ostensibly to defeat consolidation.

Third—That the position of the Northern road, sixty-nine miles long, has been, to say the least, very equivocal."

If the committee remember how long a time was spent in endeavoring to get a direct answer from Governor Stearns to various questions on that subject, they will, perhaps, have the same admiration for his ingenuity that I have.

Fourth—That the Vermont Central portion of the line is under great pecuniary embarrassment, not ordinary calculated to insure either efficiency or development.

Fifth—That the annual loss on the lease of the Ogdensburg road is more than $100,000.

Sixth—That the Concord Railroad refuses to bear its proportion of the losses on the Ogdensburg lease and the boats, while it participates in the advantages.

Seventh—That the loss on the boats annually is of a similar amount, $100,000. And a proposition to sell the boats is now pending and will probably result in that termination.

And as the conclusion from these facts, Governor Stearns's opinion is, that the condition of the line is as satisfactory as it has been, and its future prospects as good as ever!"

Now, Mr. Chairman and gentlemen, the Lowell Railroad, having made an arrangement to transact the business of a great through line, having in good faith attempted it, having the facilities, and being ready to go to any extent to complete them, finds that it is unable, as the result of this New Hampshire hostility, Vermont insolvency, and Northern New York pecuniary burden, to carry it on. It desires to keep it open; to receive on fair terms all that can come over it; to give its assistance to bring all the business on that line to Boston that will come. But it desires also to join with its next neighbor in furnishing facilities which that neighbor needs, in connection with its new allies, for doing the great business which it is hoped will come through the tunnel. And what reason is there why that request should not be granted? Confining ourselves now merely to the question of consolidation,—without reference to local position, to which I will advert presently—it seems to me, Mr. Chairman, that the great thing that is wanted for this western trade is a strong, solid root. As for going about as children do, and sticking down branches in the ground and saying they have got a grove, hoping that the root will start out somewhere, I do not believe in it. You want to begin with something at the Boston end that is solid; that has credit, capital, resources, ability of management, and ample facilities for doing the commerce of the harbor and the commerce from the country,—a strong corporation, strong enough to bear the load and assume the responsibility, and then to extend, as it may have opportunity, abroad, and bring business to its terminus here. That, it seems to me, is the result of railroad experience, and wherever railroads are successful, that is the thing to be done. Why, Mr. Brooks spoke of his Chicago, Burlington and Quincy road, the little road he started with from Chicago, and which has spread until it runs 1150 miles of road, and at its western front extends 200 miles in divergence,—more than double the whole width of the State of Massachusetts at its western frontage. There is no more objection, I respectfully submit, to making a solid and substantial corporation at the Boston end, as the foundation of all you do for this line, than there is in making Boston a large city here; and that you might just as well refuse to annex Roxbury and Dorchester, or refuse to make the city of Boston any larger, because you want to have competition between these several villages, or you think they had better be smaller municipalities, and would so stimulate each other by competition.

We have put before you certain evidence, which has been uncontradicted, and which, therefore, I think may be assumed to be true. On the one hand, we have put before you the estimates of what it will cost to put the through line, by way of the tunnel, in an efficient condition, and the other side have put in no estimates in conflict with them whatever. They have not called experienced engineers to say that these things would not cost what we say they would; that something like ten millions of dollars must be paid out to accomplish what is needed for that purpose.

We have proved, on the other hand, that the expense of operating would be diminished largely, and the facilities of operating largely increased by the union of these two roads—the Fitchburg and the Lowell—as the nucleus of this enterprise; and some gentlemen,—I do not know what their connection with the Boston and Albany road may be, or how far views in that way may affect them,—and among them such a competent and eminent railroad authority as Mr. Brooks, say that they have no doubt it will be for the advantage of these two roads to consolidate. Well, the proposition which I am here to present to the committee is, in brief, this: that we have got to about the end of this petty jealousy in regard to rival lines, and thinking that it is for the interest of the people of the Commonwealth to have as many competing, quarrelling, intersecting and interfering roads in the Commonwealth as possible, and that that helps the people. I submit to the experience and judgment of every one of you that it is for every man's interest to live on the line of a strong railroad: if he wants accommodation, it is better for him; and that it is the strongest railroads which are the best able to build up local business and local interests.

On this matter of competition, if you want cheap service for the people of the Commonwealth, you must take care to make cheap service possible; and the greater ability you give to a road to furnish cheap service, the more likely you are to have it. The railroad commissioners, in their report this year, speak of this subject, and the experience of men in regard to it, in terms to which I would briefly advert. On page 65 they say, in speaking of Great Britain:—

"The over-competition which had been stimulated there led to a rapid consolidation of competing roads. This excited the utmost alarm, and Parliament for many years persistently attempted to check it. The committee now report that 'this process has not brought with it the evils that were anticipated,' but that in any event it is impossible 'to lay down any general rules determining its limits or its character.'"

On the next page, after speaking of these attempts, they say:—

"Meanwhile, a very rapid consolidation of existing independent lines is taking place, which Parliament no longer endeavors to prevent, partly because the process, so far as it has yet gone, has failed to develop the evils anticipated, and partly because the tendency has shown itself too strong to be resisted."

On pages 79, 80 and 81 it is said:—

"Nor is this tendency in any way confined to connecting lines, leaving competing lines still independent. On the contrary, while on the continent of Europe little regard has ever been had for the principle of competition among railroads, in Great Britain, where the system was founded upon it, the great railroad questions of the day relate almost wholly to the amalgamation, as it is called, of competing organizations. Public opinion seems there to be convinced that no effective check can be put upon this tendency; and it is, moreover, inclined to suspect that the apprehensions hitherto felt upon that subject have partaken rather of the nature of an unreasoning panic than of a well-considered judgment. The evidence, indeed, published at great length in the blue books, seems to be almost conclusive that positive benefit, rather than injury, has there resulted from amalgamation, so far as it has yet gone. Not only have the evils anticipated not resulted, but it would seem that the public had invariably been better and more economically served by the consolidated than by the independent companies. The larger companies employ able officers, and seem to be managed more on the system of greater departments of commerce, and less on that of lines of stage-coaches. The time and attention of those officers are not mainly absorbed in question of corporate hostility, and the money of the companies is wasted in a somewhat less degree in warfare with each other. There is, in fact, far less of friction in the mode of transportation, and far more of system. Finally, as regards the community at large, it is found that large companies can be held to a closer responsibility than small ones. Their prominence enables public opinion to concentrate upon them; they are more closely watched and held to a stricter account.

"Whether desirable or not, however, the governments of Europe would seem to have concluded that consolidation is a necessary phase in railroad development, through which a system must pass. In what it is to result is not clear. It may result in the assumption of railroads by the government; or in the existence of vast regulated and supervised monopolies, over which governments will exercise a close supervision. A tendency in each of these directions now exists among the systems which have been described."

On page 81, speaking of competition:—

"Not the competition which alone is known between two or more organizations which may at any time combine, and are certain ultimately to do so, but the competition of two forms of ownership."

Now, Mr. Chairman and gentlemen, that brings me to a suggestion, which I make with great respect to the committee and to the legislature, but I make it because I believe it to be a fact: that this union of the Fitchburg and the Boston and Lowell Railroad is going to take place; that the reasons for it, and the inducements to it, and the public interests involved in it, are such as to make it so apparent to the managers of the two roads, are so conclusive in their necessary results, that it is but a question of time; and that I believe the legislature and the committee should see carefully whether that is not so, and whether it is not the part of wisdom that you should begin at the beginning and lay your foundation broad and deep in this enterprise. I do not put our case—my friends have misunderstood me if they suppose I intended to do so—on the idea that the consolidation asked by the Vermont and Massachusetts and the Troy and Greenfield could not obtain suitable facilities in Boston if they did not unite with us. No such thing. True, I think that some of them, which they have shown the committee, or which have been spoken of by various persons here, are very illusory. Take Mr. Quincy's scheme. His beautiful picture which he gave you, extending out the principal wharves of Boston, and having this Union Freight Railway that runs around by their heads put all the grain and provisions that may come from the West on board vessels at these wharves. Take the suggestion,—I don't remember who called the witness,—but take the suggestion of the gentleman who has charge of Constitution wharf, who was called as a witness to say that vessels could load and be discharged there. Why, gentlemen, when the business of a road gets up to the extent of employing five thousand freight cars, you have been told that they would extend thirty miles in length. Do you suppose that the freight business is going to be done in the streets of Boston, with a right angle to turn at every place where a car is to run down upon a wharf? We have had some snow—you may have noticed it, gentlemen, if you have not been too much confined in this room—in the course of the winter. I think this is the thirteenth week of sleighing we have had in the country. Now, a loaded freight-car weighs about eighteen tons. With three inches of snow on the ground, do you believe that less than eighteen horses can draw one of those cars? You should have seen some of the New York experiments in moving freight cars in the snow this winter, if you think they can. Our little, light passenger street-cars have to put on four horses to get along slowly with their load! Can you depend on the streets of Boston as a place for doing the business of a great freight company, with steamships to load hastily, rapidly and readily? Then the place that I suppose these gentlemen of the committee were taken to see, on a tug-boat, the other day, by Mr. Bates—

Mr. Bates—I did not go.

Judge Hoar—Didn't you go? Well, I didn't. But, gentlemen, you will see; it was very obvious upon the map, and upon the testimony, and I call your attention to it. I do not mean to say that there are not some wharves that can be bought and used for freighting purposes, to some extent; but you will notice that they are in a confined place, where the railroad runs at right angles with them, and where it has to cross two bridges, at present, with the great public travel of Charlestown and all north of it to be interfered with; that the length is not one admitting of the standing of long trains of freight cars; that they are at right angles to the track; that the distance is extremely limited at the head of the wharves for a track; and that they are so situated that an elevator for one of the wharves cannot be used on the others. If you could get three or four docks there, and get room for three or four vessels to lie, you could not do as you can on this territory which is being prepared for the business by the Boston and Lowell Railroad, at the Mystic improvement. I do not mean to say that they would not be valuable, but they have got to be bought. They would be better than nothing; they would help to do the business; but, as I should say of the Fitchburg Railroad, and of the line from Fitchburg to Boston, if the question were whether the Vermont and Massachusetts and Troy and Greenfield were to build another parallel line, undoubtedly you can get the land for a parallel line to Boston, but why should you do it? Every unnecessary expenditure of money for railroad purposes is sure, ultimately, to be costly to the community which requires it. The committee should look, in regard to this enterprise, to determine in what method the most complete, convenient and serviceable facilities for this Western business can be furnished at the cheapest rate. And if the Lowell road has them, if its foresight and enterprise have secured them on very reasonable terms, much cheaper than they could now be got, or anything like them, and they are adequate and sufficient, why should not the gentlemen of the committee say, that by the union of these two roads, they should be appropriated to the public service in this direction, and not that because it is possible for the other roads to pick up, here, there or elsewhere, something which will answer their purpose, they should do it and have the expenditure doubled? That is one of the grave objections of the Fitchburg Railroad to the proposed bill. If they can unite with the Lowell Railroad, they can at once have what otherwise there must be a large expenditure of their credit to procure. They have got to pay interest on the money while the improvements are going on; they have got to pay the interest on all their expenditure to rebuild the Vermont and Massachusetts and Troy and Greenfield roads, and lay a second track on the Troy and Boston; all that, with the interest on its cost, is to be paid until the hoped-for business may come, of which they are not sure. It seems to me incomprehensible that the honest friends of this enterprise should propose, on the one hand, to compel this needless expenditure of money to procure things which they might have ready to their hands, upon our plan; and, on the other hand, to insist on keeping up and stimulating the utmost efforts of rival lines to make their property less profitable than it otherwise would be. I cannot believe that my friends on the other side will say to the committee that they consider this union with us as a thing to be wholly rejected.

But there is another view that we have to present, and I wish the committee to look at it, for I believe it has not been suggested yet in the whole course of this hearing—it may have been. The Lowell and Fitchburg Railroads have been somewhat antagonistic in times past. There has been a little of the "aversion" that my friend Mr. Allen spoke of. They tried it to their entire satisfaction, and do not propose to try it any longer, if they can help it. The legislature has chartered a railroad to run down from Nashua to the Fitchburg Railroad, or to the Framingham and Lowell, practically coming to the Fitchburg road in Concord—within a mile of it—called the Nashua and Acton. They have chartered a road called the Middlesex Central, running up from the Lowell Railroad to Groton, or striking the Fitchburg certainly as far up as that, and which is now built, substantially, to Concord, and can be extended. It has not, therefore, seemed in times past injurious or contrary to public policy, in the view of the legislature, that the Fitchburg road should have a chance to tap the northern business of the Lowell, or that the Lowell should have a chance to tap the business of the Fitchburg. But you have done something wholly beyond all that, and which would make the refusal of our petition, in my judgment, a marvel in railroad management. The State has chartered the Massachusetts Central Railroad, which can have a line from the tunnel, and which has appeared here by counsel, running to the south of the Fitchburg Railroad, crossing it just above Waltham and going on to the Boston and Lowell road. It is now under contract, to be operated in connection with the Lowell road, and comes in a few miles out and goes round to the south of the Fitchburg; and there lies the Fitchburg, between these substantially two branches of the Boston and Lowell. And what they ask is, that as they are all going for the same thing, they may all belong to the same establishment. And the State, in the interests of its people and in the interests of its tunnel property, is asked by my friend Mr. Shattuck, for the Massachusetts Central Railroad, to protect their rights and keep the tunnel so far in their hands that they shall have a fair share of the business of it. His ap-

peal certainly is entitled to be regarded, and it is supposed that it will be for the interest of the State to keep the tunnel and allow it to be done, or else the State must take the alternative of saying: "We will monopolize this tunnel until we can get a profit out of it. We will give it to these two roads that come in here and ask for it, hoping to make enough out of it to enable them to build an independent road. If the Fitchburg will not join, we will either give it to them or will keep it as a monopoly of our own, in order to get back what it has cost us; and accompanying that, we will have the Lowell Railroad both sides of it, stimulated to all the activity they can have to prevent business passing over it." That is, that its interest to have the Massachusetts Central take all the business that it can from the tunnel down to Boston, and its interest to have everything that can come over its through line, shall both come into rivalry with the tunnel route. But, gentlemen, there is in this bill presented by my friends, a very remarkable third section; and I ask the attention of the committee, and through them the attention of the legislature and the Commonwealth, to what is proposed here. There is no doubt that the Fitchburg road will not, within four months, come in and throw the property of its stockholders into the scheme proposed on the other side. I take it, nobody connected with the road, or who lives on the line of the road, believes they will do it. They have put into their bill a compulsory section, intended to be compulsory on the Fitchburg road, and the precedent for it is found in the act to consolidate the Western and the Worcester Railroads. Now, gentlemen, there is no likeness in the cases. The case of the Western and the Worcester Railroads was that of two great roads, the stock of each of which was worth 150 in the market; both of them with ample resources, undoubted credit and great means. It was thought that it would be profitable to the public, because they could be run more economically and more efficiently and profitably, that they should be united; and the only reason they would not unite was because they could not agree upon the terms of the union, or because some gentlemen connected with the local management thought they should be thrown out. The legislature interfered, and that has been done, and has proved satisfactory in its results. But that a road in debt and not paying dividends, with two roads of the comparative weakness of these two, requiring to be rebuilt and equipped, and all to be done from the resources of the new combination,—that they should come in and say to the strong and solvent proposed partner, "You shall come in under penalty of confiscation of your property," is a thing that the legislature has never yet said, and I believe never will say.

To make the forced consolidation of the Worcester and Western railroads a precedent, the Commonwealth should first rebuild its Troy and Greenfield road, and equip it suitably from its own resources; the Vermont and Massachusetts Company should rebuild their bridges, make the necessary shortenings of line, and straightening of curves, build their double track, and bring the value of their stock up in the market, from their own resources: and the Troy and Boston bring their road into first class condition of construction and equipment, from their own resources. The parties would then stand on equal terms. But to compel the Fitchburg road, which was chartered as a road only from Boston to Fitchburg, and if any extension was contemplated, which expected that the extension should be made by other companies, to assume this terrible load of deficiency and incompleteness, and try this costly experiment, under penalty of confiscation of its property, is as unprecedented as it is unjust.

But what do they propose under this third section? They put first the alternative that you may build an entirely independent line to Boston, which would be a waste of money if it were done; merely punishing the Fitchburg, and making a double line to Boston, for no necessary or useful purpose. But they put in the further provision, that instead of building an independent line to Boston, and instead of being obliged to look up entirely new terminal facilities, they may connect, or buy, or lease, or consolidate with any other road into Boston they can find. In the belly of that bill is found the absorption of the whole tunnel route into the Boston and Albany Railroad. There is the Boston, Clinton and Fitchburg, Mr. Chairman, coming from Fitchburg to South Framingham—one other mode of the tunnel road to come to Boston—and they have the right to take that and consolidate the whole concern most beautifully. I do not suppose that some of the gentlemen concerned meant that, but I think others did. I think some of the gentlemen concerned meant the other recommendation, and that is, to come down and consolidate with the Middlesex Central, and come in on to the Boston and Lowell, which is exactly the proposition we advocate, except to do it directly by joining the Fitchburg Railroad, which is really interwoven and inextricably involved with the present railroads connecting with this tunnel route, and making it one strong, solid foundation for the whole. But you will find both these things in the bill.

You have before the legislature, and I believe before this committee, the petition of the Salem board of trade and some large number of the business men of Salem, asking that this consolidation of the Fitchburg and Lowell railroads may be made, with a view their interests in the business of the tunnel line. That is, the Stony Brook road, from Groton Junction, or Ayer, to Lowell, makes a direct communication with the Boston and Lowell, through the Salem and Lowell road, and they desire therefore that it may be done so as not to have an interest in the tunnel line adverse to the eastern part of the State, to bring everything to Boston, and oblige them to take it from Boston; but that they may have equal opportunities of enjoying its advantages.

There is still another road connected with the tunnel, the Boston, Barre and Gardner, which connects directly with the city of Worcester.

The subject, Mr Chairman and gentlemen, is pretty nearly inexhaustible, and my time is approaching its close, so I shall be obliged to omit several suggestions which I would have been glad to make.

They talk about getting the navy yard. Well, I wonder if the preparation, which cannot be deferred, for this tunnel business, is to await the possible action of Congress and the removal of the enormous amount of property invested there,—its dry dock, which cost $3,000,000,—and whether the commerce of Boston has made up its mind that it proposes to dispense with the protection of the navy yard?

I come now to the other branch of our case, which alone, as it seems to me, is sufficient to justify it; and that is, that there is presented by our project an opportunity to remedy that unhappy snarl and complication of railroad tracks that is found in Charlestown and Somerville. For the first time, while for twenty years the people, the railroads, and the legislature have been trying to find a way in which that could be accomplished, our plan furnishes the legislature a cheap solution of it. My friend who is to follow me (Judge Thomas), the other day, when this was first talked of, with something of a sneer in his tone, as I thought,—I do not know that he intended it,—said that if that could be done so cheaply, the legislature knew how to cause it to be done. The legislature have considered, time and time again, compulsory methods of settling this difficulty, and have never been able to find one which they thought they could adopt; and a committee has even recommended an expenditure of five or six millions of dollars to secure it, in view of its importance. I need not advert to the passages which have already been called to your attention in the reports of the various commissioners in regard to the matter of doing away with these crossings. Now, Mr. Chairman, we have the Fitchburg and the Lowell roads agreed on a mode, and we have the Boston and Maine and Eastern railroads agreed, which, I believe, never agreed on anything before—(I may be mistaken, I do not wish to overstate)—we have them consenting to the proposition, involving as it does a large amount of property. I promised to say to the committee that we are unable this morning to submit a section which we have left to the Boston and Maine and the Eastern to prepare, because, to draw the exact lines for the division of the property requires a question to be solved of a short approach to a part of the land by the Boston and Maine, which will require the sanction of the harbor commissioners, with whom negotiations have been going on, and which the harbor commissioners sanctioned, on certain conditions, which they are ready to adopt. They hope that by Saturday morning they can hand in such a section. But as this is merely a matter of detail, on which I suppose the committee will feel no concern or interest, I may say, in general terms, that the four railroads have agreed.

Now, the proposition which was coupled with the remark made by my friend was, that the legislature could compel this to be done,—require it of the railroads, as a measure of public safety, without uniting the roads. But there are very grave objections to putting two competing and rival lines into the same station,—into the station of the Boston and Lowell Railroad. And do they wish it? Seriously, would they wish to have the whole outlet of this tunnel business, not only with a competing line, very strongly built up, so far as the stimulus the State could afford to it would build it up,—perhaps not very strong,—but to have the Northern competing line, urged and stimulated by State action to great activity as a competitor, and bringing all their passenger travel right into the station, and putting it directly into the claws of the lion? the lamb lying down inside the lion, when they lie down together!

I cannot believe they would think, on reflection, that that was wise. It would not be agreed to. It would be compulsory, and it would have, to that extent, the same elements of trouble and difficulty that their proposition of compelling the reluctant Fitchburg Railroad to come into their consolidation without the Lowell, would have, for the Fitchburg and Lowell know they never could run their trains from the same station satisfactorily to the people of their respective localities, when they were hostile and competing lines, and the control of the station, or the station itself, could not be divided.

And the railroads you are asked to consolidate are not so very long, compared with consolidations in general. There are 26 miles of the Lowell Railroad. Why, there is a plan before the legislature, as I understand, under active discussion, or before a committee, to extend the city of Boston half-way up there. It will be a question whether two lines coming into the same city, shall come into the same part of it; that is about all it would amount to, in that view. We think that the legislature would unite these two corporations for this single reason, that thereby, satisfactorily to themselves and to a large portion of the community whom they represent, this dangerous crossing of passenger trains would be obviated, and adequate public accommodation afforded. Now, the Lowell Railroad has a passenger ground adequate to the accommodation of all the business that the best friends of the tunnel line hope for from it. It has freight grounds prepared adequate for anything that is expected or hoped of foreign commerce that may come to it. It is willing to put all this into this union, and no longer be dependent wholly for its business upon New Hampshire jealousy and Vermont insolvency; and we ask the committee and the legislature that it may be done. It is a local benefit, and we think it is a public benefit.

I come, in conclusion, to a simple statement of what seems to me the principle of consolidation, and what makes consolidation at all beneficial. I do not suppose that when my friends talk of a consolidated line they are thinking of a mathematical line, which, according to its definition, has length, but neither breadth nor thickness; has merely direction without substance. We want to furnish substance to it, to make it strong. We want to have a good root on which the plant is to grow. The principle of consolidation is, that by putting lines which can operate harmoniously together under one management and in one interest, you consult economy, efficiency, the public service and the public welfare; and I ask the committee if the proposition we make in regard to the union of the Boston and Lowell and Fitchburg roads does not fulfil all these conditions? Whether, avoiding this entangling arrangement just out of the city, it

is not for the public safety; if, furnishing adequate accommodations, which otherwise must be expensively sought and furnished, it does not promote cheapness of service and economy? If, as the testimony of all the witnesses is, it would be for the advantage of the two corporations and their stockholders that they should be united under one management, and the roads could be more economically and profitably managed, what is there against it, except this petty jealousy about competition? How much are we going to subdivide that principle of competition? Massachusetts will have three competing lines, if the Hartford and Erie ever fulfils the predictions of its friends when it applied to the legislature for help. At any rate, it goes in a southwestern direction. Here is the northern line, running in a northwestern direction. With this union you get all the various interlacing routes connecting with it, turning in a northwestern direction, and can avail yourselves of the most profitable, whichever may turn out to be so, and have a strong corporation interested to develop and assist it. I hope the committee have not forgotten the carefully-prepared paper in regard to distances which Mr. Barrett submitted to them, and which they will find most instructive, when they consider whether the tunnel route is to aim at one point or another for its ultimate connection, and for its most profitable operation.

Believing that we present the root of the matter for the whole of this great public enterprise, we say we have no hostility to any of these proposed connections. As a citizen (if my clients will allow me to interpolate so much), I should advise the legislature that the State should not part with the control of the tunnel until its value has been ascertained by experiment; that they should provide that some management should be had for it by which it should be made useful, either by leasing it under certain regulations to the consolidated line, temporarily, but reserving the power to change, as justice and the public interest may require, or in some other mode. If it shall be found that it is impossible to make it a part of a line which shall be remunerative, charging what it has cost to the State, then the State, I have no doubt, had better sink that proportion and make it serviceable at such rates as will allow business to be done over it. Whether the State can run it itself, or can best lease it to a consolidated line, making a provision for any other line which has occasion to go through it to have fair terms, is a matter of detail for the committee and the legislature to consider, and on which I do not propose to offer any observations. But we do now offer as a section to our bill, what I will submit to the committee in these words, that our friends of the Vermont and Massachusetts may see that we do not have any hostility to union with them if we can have something that is not going to ruin us, before we can tell what is to be the result of the experiment:

"In case the Boston and Lowell and Fitchburg Railroad corporations unite, and become consolidated under the provisions of this enactment, said consolidated corporations shall unite and become consolidated with the Vermont and Massachusetts Railroad Company upon such terms as the parties may agree, or failing to agree, upon such terms as may be determined by a board of three commissioners, to be appointed by the supreme judicial court, upon the application of either of said parties."

We are entirely willing to have consolidation compulsory upon the putting in of these two roads as a foundation. And I will say further, that the only reason we do not now propose a similar section in regard to the Troy and Boston Railroad,—because we are willing to consolidate with them all,—is that the committee and the legislature have not yet determined what they will do as to retaining this tunnel. Whether the time for that has arrived, until the arrangement by which the tunnel is to be operated is determined upon, is a question on which we entertain grave doubts. The committee will see that if they grant the tunnel to the consolidated line on terms such that they could take it and operate it profitably, we should immediately desire, and will undertake, to introduce a section in regard to the Troy and Boston Railroad of precisely the same character. We think it would probably be wise to run it as a consolidated line beyond the tunnel to the Hudson River. We should have no objection to having in the consolidated line the power to lease or purchase all the roads that the State of New York would agree to, extending to the lakes or to the most convenient point of connection with the West. The whole policy of consolidation represented by our friends meets our approval, provided we can have a solid basis of property; provided we can have what we need for it, without large expenditures, which the Fitchburg road is unwilling to attempt; and provided we can have it under such sanction that we shall not have our consolidation cut in two by some different ownership. Whether this will make a consolidation extending to the State line of Massachusetts, or going to the Hudson River, is, therefore, the only point which we desire to leave open.

There are only two observations further which I wish to make to the committee. One of these relates to the 20 per cent. contract which has been alluded to. I will not go back to the early history of the expectations of my friends of the Troy and Boston Railroad, because I lived on the line when Colonel Crocker started the Fitchburg road, and will only say, that, if all that anybody understood him to promise is to be fulfilled by legislation, we shall have a string of stations the whole line of the Fitchburg road, not more than twenty rods apart. Colonel Crocker never had occasion to make a railroad bargain with anybody without being strongly impressed with the advantages that were to flow to the other party from conducing it with him, and he left impressions on other minds, sometimes, that were very strong.

Judge Thomas—Colonel Crocker is present.

Judge Hoar—I am very glad of it. I would not say anything in his absence that I would not say to him. He knows very well what I think of his ability and skill as a railroad manager. I do not know that he was here when I stated what the road owed, in its early stages, to his persistency, skill and force, and I think it very well just to say, that, substantially, he has been the father of the whole tunnel route. He has persuaded the legislature of some things in the course of legislation on the subject, that I never should have thought of undertaking to do, and there are few men living who would; and the people on the line, undoubtedly, he has persuaded to an enormous extent. I cannot go into that; but this 20 per cent. contract is a tangible thing, to be considered by the committee; and I want them just to consider it in the view which I offer. It provides that, on the opening of the tunnel, if the State will go forward and complete the tunnel and the Troy and Greenfield Railroad, the Vermont and Massachusetts, the Fitchburg, and the Troy and Boston railroads, will pay to the State 20 per cent. for its use of the gross earnings of all business that comes through it from either side. Now, the lowest estimate the Fitchburg Railroad made with regard to any profits was that 76 per cent. of the gross profits were consumed before you come to any net profits,—almost up to the 80 per cent.—which would be what all the other roads in the line are to retain. I only wish to say to the committee, that I believe that that contract is the sheerest delusion, for this reason,—that if the State held it and insisted upon it, the only result would be that no business would ever go through the tunnel. The railroads would make their charges, and must make their charges, so that they could make some profit themselves for doing the business; and as there is nothing to restrain their charges for the business, and the contract is only that they are to pay 20 per cent. of the gross receipts, they would have, in self-defence, to make their charges so high that they would not do the business. At any rate, I should recommend the State most strongly, if they adhere to that contract, not to set up any more competing lines than they could possibly help, if we are ever to get back a dollar that we have paid for the tunnel, or a dollar of interest upon it. It is obvious, I think, to any man who will look at that contract, that it will have to be abandoned and a new one made; that it is one impossible of execution by any of the parties concerned.

The other suggestion is with regard to the contract made by the Boston and Lowell with the New Hampshire roads, one clause of which, as it was read, was, that each of the roads contracted to use their efforts to send all the business possible over that line. I suppose that that contract is substantially at an end, by the impossibility of maintaining that line. The line is going to irredeemable wreck. That is one thing. But, in the next place, construed as a contract imposing a duty upon the Boston and Lowell Railroad, it is in violation of their duty to the people of this Commonwealth and to the legislature, incompetent for them to make, and which they ought not to have made. But I do not suppose it was intended in any such sense. Certainly, it could have nothing to do with the proposition, that if the legislature of Massachusetts chose to incorporate it with another line, (any more than if they chose to add another branch to it in this State), that contract compelled them to favor that line to the exclusion of the line with which their own branch connection exists. I think the committee, or the legislature of Massachusetts, will never sanction an agreement by a railroad, not consolidated or not authorized by the legislature to make specific agreements with a particular line, by which they shall favor one line with which they are connected, to the exclusion of another. It is contrary to the interests of all the people who are connected with our railroads.

I saw in a newspaper the other day that there were but three elements in this question—the West, the tunnel, and the harbor of Boston. I beg leave to dissent *in toto* from that proposition. There are the interests of the whole people of this Commonwealth, their convenience in regard to the use of their railroads. I believe you may make this line as profitable and as strong, if you please, as you have made the Boston and Albany, and that the real profit of the road will ultimately come out of the local business. Having the great through business, connecting, as that road does, with New York and the West, gives it strength, power and facility, which makes it desirable as a neighbor to all the towns on its line. But that one railroad, and especially one which has its great outlet built at the expense of all the people of the State, shall make a bargain by which roads running through other parts of the State are to be deprived of the fair proportion of that benefit, is something so unjust that I do not believe the committee will be prepared to recommend it, and I think they may be very sure that the State will not carry out their recommendation, if they make it.

I am much indebted to the committee for their patience and attention.

The argument of Judge Hoar, printed in full in this paper, sets forth very effectively the rights which the Lowell road claims in the tunnel, and the public advantages which it is expected would accrue from its union with the Fitchburg road, making one corporation and one management at this end of the northern and tunnel lines. We content ourselves with commending this interesting document to the candid attention of all who are concerned about the problems it discusses, without renewing the discussion it is calculated to provoke. The immediate question of what shall be done with the tunnel is by no means one to be answered off-hand, as the railway committee have already found. The arguments we have printed this week simplify the conditions of the problem, and will help, we trust, toward a speedy and wise solution.

Copy of Petition, prepared Apr. 11 1873

The undersigned merchants and citizens of Boston and vicinity, believing the Hoosac Tunnel to be an exclusively Massachusetts enterprise and that the commerce and interior trade of Boston requires that it should be exclusively under Mass. control, respectfully petition your honorable bodies for the consolidation of the Fitchburg, Lowell & Boston and Vermont & Mass. railroads companies, for the operation & management of the tunnel line; and in addition to the foregoing for the following 3 present reasons:

1. That these companies unite the means, strength and ability required for the improvements, enlargements and constructions necessary to be made

2. That with their present passenger, freight and transhipment accommodations, they will be prepared at an early day for a largely increased traffic.

3. That with a shorter line, easier grades, & cheaper rates, they will be able to meet any competition of N.Y. or Penn. lines on advantageous terms.

4. That with the present facilities and projected improvements they will be able to do the business of the line with less expenditure of capital & more economically than any other form of consolidation.

5. That the best interests of the City, the prosperity of its metropolitan city, & the railroad interests of the State, require that the tunnel line should be exclusively under Mass. control & the management as strong and efficient consolidation of Mass. corporations.

The Governor of the Commonwealth in his message to the legislature of 1873, after announcing the opening of the tunnel from the eastern end to the Central Depot, says the Commissioners should immediately prepare themselves to reap every legitimate benefit to which they will be entitled upon the consummation of this vast undertaking." He then speaks of the fact that by it "our city may not only be brought into shorter and more direct communication with the great lakes of the West, but through this channel Chicago will be brought nearer to the tide-water of our own State than it now is to New York city."

In the Governor's message of the present year the legislature have failed to prepare itself to reap every legitimate benefit to which it will be entitled, — he asks "what shall the State do with its forty-four miles of railway canal tunnel?" and he then remarks, "The original purpose with respect to the tunnel was to open, in conjunction with roads then in operation, a new and competing line between Boston and the Hudson river. The situation has somewhat changed with the lapse of years since the work was begun. The objective point is still a point reached on the Boston and Albany, but consolidation and concentration of interests have altered the conditions of competition."

No allusion was made to this competition in the message of 1873

BOSTON TIMES.

BOSTON: APRIL 13, 1873.

OFFICE, 12 SCHOOL STREET.

Hoosac Tunnel Consolidation.

A great effort has been made before the Railway Committee, and it seems is to be made in the Legislature, in favor of including in the proposed consolidation for the operation of the Hoosac Tunnel line, a New York corporation which professes to have some claim, whatever that may be, to a special interest in the business of the line. The road intended is the Troy & Boston Railroad, a road of about eighteen miles in length, whose capital and debt, including what the vice-president company calls "terminal facilities" in Troy, spreads the moderate little sum of one hundred thousand dollars per mile over the track. Its earnings have been reported at $30,000 per year, which is a pretty moderate dividend, if the company should venture to pay one at any time on some two millions of dollars!

However all this may be, whatever the financial or other condition of the company, we think it very far from desirable to make any consolidation with a corporation outside of this State in the tunnel line, and especially with a company in New York under the general personal liability law of that State. It seems to us that the consolidation of the Fitchburg, Lowell and Vermont and Massachusetts railroads will be of such a character as to make a New York connection, other than by contract or lease, not only unnecessary, but probably embarassing. What is the need of dividing the authority or control of the tunnel, or the tunnel line, with any other State, whose people have no other interest in it than to make money out of it? We think if the views and wishes of the people of Massachusetts could be ascertained, they would demand that the management, control and profits of the tunnel, like its cost and ownership, shall be held and enjoyed by the people of this State alone.

If the committee of the Legislature shall report in favor of consolidation with the Troy & Boston Road, we think they will make a mistake and will find that such a proposition is against the convictions of the people of Boston, who have entire confidence in the credit, ability and sufficiency of the Fitchburg and Lowell roads for the proper management and operation of the line. They have no desire, we believe, to consolidate with this company or any other company in New York, and, as the Troy & Boston Road can be leased, or even purchased, it will probably be included in the line, at least so far as it runs in the right direction. There can be, therefore, as we have said, no need of including it in the act of consolidation—an act, we should say, against the recommendation of the Governor and the true policy of the State.

W. W. W.

The Advertiser.

PUBLISHED WEEKLY.

SATURDAY, APRIL 12, 1873.

Massachusetts Control of the Tunnel Line.

There seems to be a disposition among some parties, inside or outside of the Legislature, to unite a New York corporation in the proposed consolidation for the operation and management of the Hoosac Tunnel line. The necessity for any such extraordinary procedure, in view of the fact of the inability of the company proposed to be included, to establish the amount of its actual paid up capital, or its funded and floating debt, to show a market value of its stock, or its right to make any dividends, is what, as old Judge Thomas would say, you must invert your telescope to be able to see. Taking into consideration the evidence brought out before the railway committee in reference to his road, there is no ground of claim for such a preference on its side, nor any reasons for desiring it on the part of entirely solvent Mass. railroads. If the Massachusetts corporations, such as the Fitchburg and Lowell companies, with capital and credit unlimited at their command, cannot improve and equip the tunnel line and furnish facilities for doing all the business that may come over it, it would be hardly advisable even then to accept the proferred courtesy of a New York corporation, known to be under the thumb of Cornelius Vauderbilt, to assist them in the undertaking. But it so happens that the Massachusetts corporations are not in need of Capt. Vanderbilt's assistance. The people of Massachusetts, it is generally supposed, have constructed the tunnel, and paid Mr. Shanley for doing it, and it is at least probable that they will know how to operate and manage it; or if not, they may take a lesson or two of Scott or Vanderbilt or some lesser light in railroad management, for the purpose.

Seriously, however, we do not understand why the consolidation asked for by the corporations on the line and the Lowell road, for the operation and management of the tunnel line, should not be at once granted, as the method of solving the problem and creating an efficient combination for the purpose. They would form a strong and commanding company, with all the accommodations demanded for freight and pasenger business, the storage and transhipment of grain, and if necessary aid in the establishment of one or more steamship lines on the ocean. Certainly they can do all this without the aid of a New York company, of doubtful financial standing, and without any assistance outside the Commonwealth.

W. W. W.

THE TUNNEL ROUTE.

To the Editors of The Boston Journal:

The last advices from Berkshire give us the cheering news that less than one-third of a mile of the core of the Tunnel, less than one-fourteenth of the original enterprise, remains to be achieved, and that at the rate of progress made in March the mountain will be perforated by November. As the enlargement of the work now keeps pace with the perforation, we may expect to hear of the passage of the trains under the mountain before the next session of the Legislature. What is now wanting is appropriate legislation to form one continuous line to the border of the State.

The committee has not yet reported an act to consolidate, but it seems to be well understood, since the public discussion at the State House, that the State will not undertake to run the great lines of Massachusetts-after all our States that have have tried such an experiment, including New York itself, have met with signal failures.

The plan to consolidate the Fitchburg and Lowell, two of the strongest lines in Massachusetts, and identified with its interests, seems to meet with the greatest favor, and promises the best results if adopted. The only serious objection to this union has been that the Lowell line forms part of a route to the West, via Ogdensburgh, but this route is too circuitous and too dependent on lake navigation to bring much freight from the West to Boston via Ogdensburgh, although it may supply a part of the intervening country. Although this circuitous route has been opened for more than a quarter of a century it does not now bring to Boston an amount of freight equal to one-seventh of the annual increase of freight on the Boston and Albany line, and when the tunnel route is open to the lake it will build up in every quarter of a year more business between the West and Boston than the Ogdensburgh route has built up in that quarter of a century. The most important question now pending at the State House seems to be whether the Troy and Boston Railroad, which runs from the line of Vermont to Troy, shall be melted down to make common stock with the Massachusetts lines. To this there are some serious objections. Although its original cost was far less than sixty thousand dollars per mile, or about two millions, it has been carried up in the New York style to about three and a half millions, without any considerable addition to its property. Its principal managers live in Troy, New York, and one of them has been closely connected with Vanderbilt, while Troy itself is opposed to a direct line from the tunnel to Oswego. The managers of the Troy and Boston road are the same gentlemen who, a few months since, proposed to buy the tunnel of the Governor and Council. Is it not best for the present to consolidate our own lines of railroad alone and to keep them entirely independent, to admit no New York blood into their veins and to give the new line full power to hire or purchase either a direct and independent line to the lakes and Niagara river or the Troy and Boston Railroad? Is there anything in the administration of the New York canals to fascinate us? Formerly the State drew from them some revenue, but last year, enlarged as they are under State control, they barely paid their expenses, and the whole State investment yields no revenue.

Would we place our great work on the same footing with the Erie Railroad or its off-shoot, the Hartford and Erie, both managed in the same New York style? or shall we adopt the Vanderbilt process and water the stock up to two dollars for one, or do we prefer the Tweed system in the great city of New York? Have not the great works and cities of New York become a prey to scamps or sharpers, and will it not be best for us to allow her no potential voice in conducting an enterprise which has cost our State so much and on which so much depends? The Boston and Lowell line will find its best and most available route to the West through the tunnel, and with the Fitchburg can easily carry the Vermont and Massachusetts road without passing dividends. But there is a limit to their ability. They have ample land in the right place, their piers and docks for steamships are progressing, but they must raise large sums for new tracks, cars, engines and elevators. Is it not impolitic to force upon them a line out of the State, out of the direct route from the tunnel to the West, and whose interests are in some respects adverse to the great interests of Massachusetts? Let her take care of herself this year, and of New York at another time.

The most successful enterprise in the United States is the Pennsylvania Railroad, of which Messrs. Thompson, Scott and Felton, late of the Fitchburg, are leading directors. It controls six thousand miles of railroad, wields a capital of eighty millions, pays ten per cent. yearly, with a surplus revenue of two millions. It is building four steamships to run to Europe, it has extended its line to New York by hiring most of the roads of New Jersey at ten per cent., and is making the investment a fair one, but its concentration of roads and its great improvements have been made not under coercion, but by its own voluntary action. Our consolidation must be on a smaller scale at first, but it would be most unwise and impolitic to hamper it at the start, or subject it to influences adverse to the State and Boston.

MASSACHUSETTS.

Daily Evening Traveller.

MONDAY, MAY 5, 1873.

Hands Off!

It would seem as if the two reports on the Hoosac Tunnel question presented all the prominent salient points on that much-vexed subject, but amid the many conflicting plans and opinions there may be danger of losing sight of one feature vitally important to the business interests of Boston and the State. It is this: That no individuals or corporations outside the State limits shall secure either the immediate, prospective, or possible control of the tunnel. When completed, it will have cost the State some $12,000,000, and if there are to be, as all parties ardently hope and confidently expect, great material benefits accruing from it, these belong in justice to the State as a whole, and not to separate or aggregated corporations, to the exclusion of the State. A little more than two years ago was brought into daylight the project of Vanderbilt to purchase the tunnel, and thus divert to New York the business benefits that legitimately belong to Massachusetts. Exposure quickly killed the well-devised plan for the time being, and the public mind has apparently given the matter no especial attention since, quietly resting in the belief that there was no further danger in that quarter. But, as before, "while the husbandman slept the enemy sowed tares." Vanderbilt does not so readily relinquish his plans, and, from that time to the present, the New York interest has been steadily at work to accomplish the same purpose, and is now at work as vigorously as ever! It is not necessary that he or his agents should attempt, as before, a direct purchase; there are other ways equally efficient, and less obvious, by which it is hoped to make the tunnel subserve New York rather than Massachusetts interests, and control our Eastern and Western transportation, and the Boston & Albany road. If direct overtures to prominent railroad men of the State failed because they were not so destitute of conscience or money as to be a marketable commodity, and if the unexpected exposure of the attempt to purchase the tunnel also failed, there was still remaining another mode of procedure, and this is nothing less than by shrewdly securing to a corporation outside the State, and identified with New York interests, a controlling power in some consolidated company that should include the tunnel. That is, if the New York parties can so carry their schemes as to make the Troy & Boston road an integral part of a consolidated tunnel line, their aim will be attained, as is easily seen. The stock of the Fitchburg road, for instance, is widely scattered among a very large number of owners, so that at any meeting of the corporation a comparatively small portion of stock is represented, and this, from the necessities of the case, must always be so. *Per contra*, the whole $2,500,000 stock of the Troy & Boston road is held in a "lump," and would be cast as one vote, controlling the entire line, while the other parties of the consolidated company would be powerless. This is too plain for argument. The Troy & Boston vote would be antagonistic to Massachusetts interests, and to the main through line as now contemplated; it would oppose any extension to the Lakes; it would make Troy a practical terminus; and foster in a direct manner the schemes of New York capitalists, at the expense of our own material interests. Any consolidated company that includes the Troy & Boston road will be under New York control. We hold that Massachusetts should reap the benefits it has so fairly earned, and not when the prize is within reach let it be snatched by outside parties; and therefore we urge the absolute necessity of the exclusion from any and all plans of the consolidated interest of the Troy & Boston road. That road may be bought, it may be leased; but should not be a voting power in any company plan that is to be formed, for, as has been seen, its stock is so compactly held that it would control all the operations of the line, and as it is essentially a New York road, its owners identified with New York interests, it is plain that our long-hoped for great through line would either be sacrificed, or so cramped, as to substantially deprive our city and our State of that business and prosperity that all confidently believe exists in a well managed tunnel line. Local claims, strong home companies, with State interests guarded, Massachusetts brain and capital, should now take and keep the tunnel and make it a "highway of nations," with all roads leading to, into and through it, on a basis of honest equality.

We believe that a consolidation can be made that shall accomplish this end; we believe that none of our Massachusetts corporations, no matter what their special rivalries may be, will willingly allow any parties outside the State to control in any way the great route so soon to be opened, and if the legislature should put the whole matter into State management, we are just as confident that, when the danger of outside interference is once realized, the tunnel privileges will be so guarded that our tax paying people who have made a great outlay shall receive its full benefits. This is now one great opportunity, and let all parties, State or corporate, unite at least in this one view, that whatever else may be done the tunnel shall not pass into the management of parties whose direct interests are antagonistic to those of our own Commonwealth.

In these remarks we are not favoring one or the other of the plans now before the legislature; we are only calling attention to a positive danger in the immediate future of our railroad interests, one that must be provided for irrespective of any local disagreements or rival plans.

Daily Evening Traveller.

FRIDAY, APRIL 18, 1873.

[FOR THE TRAVELLER.]

HOOSAC TUNNEL LINE.

Shall the Consolidated Line Include the Troy & Boston Railroad of New York or Comprise Massachusetts Corporations Only

There has been made, before the Committee on Railways, a most persistent effort to have the Troy & Boston Railroad,—extending from the western line of Vermont to Troy, about thirty-five miles in length,—included in the proposed consolidation of railroads for the Hoosac Tunnel line. The cost of this road, including its debts, amounts to more than $100,000 per mile of track, instead of $40,000,—the estimate for the proposed road from the tunnel to Albany,—so that one great objection to including this road in the line is its very high cost. But there are other very serious objections to such a measure in connection with the Hoosac Tunnel and the special interests of the State and people therein, which cannot escape the attention of the legislature.

As far as we have been able to learn and understand the public sentiment, the people of this State do not think an outside corporation, and especially one in New York, should be included in the proposed Hoosac Tunnel consolidation. The merchants and citizens of Boston particularly, believe the Hoosac Tunnel to be an exclusively Massachusetts enterprise; that it should be exclusively under Massachusetts control, and that no outside corporation should have any voice in its management or pecuniary interest in its business. A consolidation to be formed of the Fitchburg, Lowell & Boston, and Vermont & Massachusetts Railroads, leasing of the Commonwealth the Troy & Greenfield road, including the tunnel, will be fully competent for the improvement and management of the line and the doing of all the business that may come to it, and certainly could receive no especial assistance from the Troy & Boston road, in its present financial standing, whatever that may finally prove to be. We have no doubt that the best interests of the Commonwealth, the prosperity of its metropolitan city, and the railroad interests of the State require that the tunnel line shall be managed in their behalf, while every requisite accommodation in its use, and the advantages to be derived thereby from its construction, shall freely be afforded to all applicants, whether corporate or individual.

We hardly think Massachusetts—not usually slow to protect herself against the machinations of others—is to be deceived or deluded in the matter of the Hoosac Tunnel. She will at least feel enough, and see enough and know enough, we trust, to protect her own people and guard her own interests.

New York wants the tunnel. New York wants to control not only the foreign trade, imports and exports, but Boston commerce and Boston trade, and make each subservient to New York, and neither money nor effort will be spared to effect these objects.

It is well known that for this purpose New York, represented as suppoted by Mr. Vanderbilt's friends, proposed to buy the tunnel,—*having previously attempted to buy men*,—and were disappointed to find that Massachusetts would not sell the tunnel.

It now seems to be thought possible to obtain by means of consolidation what they had failed to accomplish by other means—not such a consolidation as Governor Washburn recommends, from Boston to "the State's western frontier," but a consolidation that shall include the Troy & Boston Railroad, whose officers and managers are the parties sent by Mr. Vanderbilt's friends to the Governor and Council of Massachusetts to buy the tunnel.

That the legislature will authorize any other consolidation than that proposed by the Governor, within the limits of Massachusetts; that they will place the tunnel or the tunnel line in control of parties in any other State, or outside the Commonwealth of Massachusetts; that they will include in the proposed consolidation parties who offered the magnificent sum of *four millions of dollars* for the tunnel, which had cost the people of Massachusetts,—IN LOSSES, INTEREST AND TAXATION,—(according to Judge Thomas,) more than FORTY MILLIONS OF DOLLARS; that they will in any event place the tunnel, or the tunnel line, under the laws or legislation of any other State, by consolidation with outside corporations,—are suggestions not to be credited or believed. Massachusetts has the means and ability within herself to construct, complete, equip and manage the tunnel line, in her own interest and that of her metropolitan city; and to make such connections or afford such aid to lines beyond her limits as may seem desirable, without including them in her own household. Two of the ablest, strongest, most efficient, and most reliable corporations in the Commonwealth, or in any other Commonwealth, are ready to undertake the management of the tunnel line on equitable and liberal terms towards all other corporations; and there are no reasons why the legislature should hesitate to authorize such a consolidation, or why any corporation in the line—unless subject to external influence, not in the interest of the Commonwealth—should not be ready and anxious to be included in it. Still less are there any reasons why the control of the tunnel line should be divided between two States; why Massachusetts should seek such an entanglement, or desire to mix up her stock, her stockholders and her citizens with New York rivalries and conflictions, or New York law.

We subjoin to these considerations a few questions, with answers annexed, for the consideration of the people and the legislature:

1. Shall the State of Massachusetts sell the tunnel? No.
2. Shall it sell half or any part of the tunnel? No.
3. Shall it give up the control of the tunnel? No.
4. Shall it give up any part of the control of the tunnel? No.
5. Shall it place the tunnel in charge of corporations outside the limits of Massachusetts? No.
6. Shall it place the tunnel in part in charge of such outside corporations? No.
7. Shall it allow corporations in Vermont and New York to have an interest in the tunnel beyond its use? No.
8. Shall it include an outside corporation, one or more, in the management of the tunnel? No.
9. Shall it make a consolidated line to have charge of the tunnel, which shall be subject to the laws of Vermont or New York,—*including the personal liability in the latter State?* No.
10. Shall it allow any corporation outside the State of Massachusetts, to have any pecuniary interest whatever, in ownership or profits, in the tunnel? No.
11. Shall it make a consolidation which, under any circumstances, may be subject to the legislative action of any other State? No.
12. Shall any outside corporation in any way, or in any degree, have a pecuniary interest in, or legal authority over, the tunnel or its management? No.

The people of Massachusetts have built it. The people of Massachusetts own it. The people of Massachusetts are able to manage it—all these without outside assistance; without outside control; without outside interference or law; and in this spirit, in this purpose, in this determination, and in no other, the authority of the people of Massachusetts is invoked for the consolidation proposed by the Lowell and Fitchburg Railroad, and it may as well be added, we seek nothing less, nothing more, nothing otherwise.

But at the same time no wrong should be done to the stockholders of the Troy & Boston Railroad, or any other outside corporation. They should be guaranteed the *full value* of their road, if they wish to sell it, or the full profit of its business, whether leased or managed as an independent portion of the line. There cannot possibly be, therefore, any necessity for including it in the act of consolidation in order to secure to it the business which it claims; and no reason, in this case, against reserving to the corporations and people of Massachusetts the entire control of the tunnel line, with such connections beyond the limits of the State as may be desirable and practicable in the interest of the whole line. W. W. W.

line would be entitled to its pro rata proportion of income from the business of the line, but this amount of line is to take its proper share of the expenses, which may be estimated at about 62½ per cent. on the gross earnings, leaving as net earnings 37½ per cent. As 37½ per cent. of 8 miles is 3 miles, these two elements of the calculation will show the State to be entitled to a net income equal to the pro rata gross earnings on 23 miles; or as the distance from Boston to Troy is 189 miles, or about 12½ per cent., deducting 1½ per cent. for the pro rata share of cost of equipment and engines through the tunnel, the State would be entitled to 11 per cent., and whatever reduction is made from this tends to give this route just so much advantage over the Boston and Albany road.

The committee have therefore fixed the maximum rate to be charged for transportation through the tunnel and received by the Commonwealth at eleven per cent. of the rates that the consolidated corporation may from time to time obtain, and have provided that the governor and council may at their discretion reduce it if in their judgment it shall be for the interest of the public.

The bill which accompanies this report provides for the formation of a consolidated line, to consist of the Boston and Lowell, Fitchburg, Vermont and Massachusetts and Troy and Boston railroads, and of the Troy and Greenfield Railroad, except so much of that road as may be reserved with the tunnel. The committee deem it important that the Lowell Railroad should be included, for reasons, which they think deserve the serious attention of the legislature. The direct route from Boston through the Hoosac tunnel to Troy, the development of which is the accepted policy of the Commonwealth, is not today a strong line; its component parts are the Fitchburg, the Vermont and Massachusetts, Troy and Greenfield railroads, with the tunnel, and Troy and Boston Railroad. Of these the Fitchburg alone is a successful and profitable road. The Vermont and Massachusetts and Troy and Boston are undoubtedly gaining in business and resources; but without assistance they are in no condition to meet and accommodate the traffic which it is hoped and expected they will receive after the completion of the tunnel some time during the present year. Even with the aid of the Fitchburg Railroad they would still be unequal to the emergency. The Boston and Lowell Railroad corporation, abandoning the plan urged by it at the hearings (to which the committee would not have advised the legislature to consent), is now ready and desirous of consolidating with the whole tunnel line instead of with the Fitchburg alone, and thus to give to that line the aid of its resources, able management and admirable terminal facilities.

To this proposal the committee recommends the legislature to consent, upon condition that the Lowell road, if it enters into the consolidation, shall dissolve its connection with the Great Northern line. The latter route was chartered by an act passed in 1869, and the Boston and Lowell was thereby authorized to consolidate with certain roads in New Hampshire and Vermont for the purpose of establishing a through line from Boston to Ogdensburg. No such consolidation has been effected; it has not been possible to obtain the necessary legislation for the purpose from New Hampshire, and the roads in Vermont are not in a satisfactory financial condition. The Boston and Lowell Railroad is therefore under the necessity of seeking connec-

Railroad Company, to provide for the operation and management of the Hoosac Tunnel, and for other purposes.

Be it enacted by the Senate and House of Representatives, in General Court assembled, and by the authority of the same, as follows:—

SECT. 1. The Fitchburg Railroad Company, the Vermont and Massachusetts Railroad Company, the Boston and Lowell Railroad Corporation, and the Troy and Boston Railroad Company, or the three last named corporations, if the Fitchburg Railroad Company neglects or refuses to do so, are hereby authorized to consolidate their several railroad interests, with each other, and with the interests of the Commonwealth in the Troy and Greenfield Railroad and Southern Vermont Railroad, except those hereinafter reserved, and to form one railroad corporation by the name of the Boston and Northwestern Railroad Company, in the manner following:—

The said corporations, or the said three of them, at meetings duly called to consider the question of consolidation, may, by a vote of a majority in interest of the stockholders present and voting at such meetings, at any time within four months from the passage of this act, agree to consolidate and unite the said corporations with each other and with the said interests of the Commonwealth, subject to the provisions of this act, in the manner and upon the terms to be fixed by three commissioners, to be appointed by the supreme judicial court, unless such manner and terms shall be mutually agreed upon by the said corporations and by the governor and council as hereinafter provided; and the governor and council, at any time within five months from the passage of this act, may agree to consolidate and unite the said interests of the Commonwealth with the said corporations, or with the said three of them, if they have voted for such consolidation and union, upon the same terms; and such votes so passed by said corporations, or said three of them, together with such agreement of the governor and council, shall be effectual to consolidate and unite into one corporation all of the said interests in respect to which such votes shall have been passed, subject, however, to the provisions of this act.

In estimating the value of the interest of the Commonwealth in the Troy and Greenfield Railroad no addition shall be made for the extra cost of the Hoosac tunnel over the cost of the construction of the same length of the Troy and Greenfield Railroad, but the valuation of the said railroad shall be made with reference to its actual length in miles from Greenfield, to the State line of Vermont, and to the ownership of the Commonwealth in said tunnel and its approaches, as hereinafter provided for and reserved.

If within three months from the passing of such vote by the governor and council, the terms of such consolidation shall not have been mutually agreed upon by the companies voting for such consolidation and by the governor and council, then either of said companies or the governor and council may apply to the supreme judicial court for the appointment of three commissioners, to fix the terms of such consolidation, subject, however, to the provisions of this act; and upon such application and due notice, the court shall appoint such commissioners, the award of whom or a majority of whom, being made to and confirmed by said court, shall be final; and the court shall enter such orders or decrees as may be found needful to carry such award into effect.

Said consolidated corporation shall have all the powers and privileges, and be subject to all the duties and liabilities set forth in all general laws that now are or may hereafter be in force relating to railroad corporations, so far as the same are not inconsistent with the provisions of this act.

The Hoosac tunnel and its approaches, including so much of the railroad on each side of the tunnel as shall within two months from the passage of this act be determined by the governor and council to be necessary and convenient approaches to the tunnel, shall be and remain a common railway for the public benefit in the transfer of passengers and freight from one side of the Hoosac Mountain to the other, subject to the provisions of this act and such acts as may from time to time be passed in addition thereto or in amendment thereof, and the title and ownership thereof shall be and remain in the Commonwealth.

The Commonwealth, by its governor and council, or in any manner prescribed by the legislature, may control and regulate the use of the said tunnel and approaches, and the passage of trains through and over the same, and if at any time any corporation operating the tunnel or the approaches thereto, fails to observe the rules and regulations so established, the Commonwealth may forbid, and by due process in the supreme judicial court, may prevent the use of the tunnel and the approaches thereto by said corporation; and in such event the Commonwealth shall provide other means for the operation of the tunnel and its approaches.

SECT. 2. In order that an unbroken and effective through line may be hereby authorized and established from Boston to or beyond the limits of the State, it shall be the duty of the Commonwealth, at its own expense, to complete the Hoosac tunnel and lay a track through the same, ready for use, substantially as provided in the contract now existing between the Commonwealth and the Messrs. Shanly, and also to improve and complete the said tunnel and the approaches thereto, with a double track, and all suitable necessary switches, turnouts and appliances and equipments, so as to render it fit and suitable for the safe and economical transaction of the business through the same; and the said Boston and Northwestern Railroad Company, so long as it shall substantially comply with this act, and with the rules and regulations prescribed on the part of the Commonwealth under this act, and any acts in addition thereto, shall operate the said tunnel and its approaches. And all railroad corporations connecting with said Hoosac tunnel or its approaches, or with the road of said Boston and Northwestern Railroad Company, either directly or by means of any intervening railroad, shall have the right to send their cars and passengers and freight through and over the said Hoosac tunnel and its approaches, upon equal terms and with equal facility.

And if the said Boston and Northwestern Railroad Company are at any time unable to agree with connecting roads upon terms of transportation over and through the same, said terms shall be fixed in the same manner as they might be fixed by existing laws in case the said approaches and tunnel were a part and parcel of the road of said corporation.

The Commonwealth shall be entitled to receive from the consolidated corporation, so long as it shall operate the said tunnel and the approaches thereto, a sum for every paying passenger or parcel of freight or other property carried through the tunnel, upon which transportation is paid, which shall be equal for all passengers, freight or other property respectively, and shall not exceed eleven per cent. of the amount which from time to time is charged upon the same passengers, freight or other property for transportation by the consolidated company over the whole or any part of its road from Boston to Troy, and within this limit the same may be altered by the governor and council from time to time, as in their judgment the public interest may require. The said corporation shall keep its books and accounts in such a manner as to show clearly the number of passengers and amount of freight carried through the tunnel, and for what railroads the same are carried, and shall at all reasonable times exhibit the same to such officers or agents of the Commonwealth as may be designated by the legislature or by the governor and council, and shall also render a statement thereof under oath once in six months to the governor and council, and at the same time pay into the treasury of the Commonwealth the amount which shall be due under the provisions of this act.

No discrimination shall ever be allowed against any railroad corporation, or any other person or corporation, in respect to the carrying of freight or passengers through said tunnel.

All ordinary repairs upon the tunnel, and its approaches aforesaid, shall be made by the said corporation at its own cost, and all extraordinary repairs and alterations therein shall be made by the corporation with the approval of the governor and council, but at the cost of the Commonwealth.

SECT. 3. If the Troy and Boston Railroad Company or the Boston and Lowell Railroad Corporation, or both of them, shall not pass said vote to unite and consolidate the said corporations with each other and with the said interests of the Commonwealth, as aforesaid, within four months from the passage of this act, the consolidated corporation may be formed by the other corporations voting to unite with the aforesaid interests of the Commonwealth.

SECT. 4. If the Fitchburg Railroad Company neglects or refuses to pass said vote to unite and consolidate the said corporations with each other, and with the said interests of the Commonwealth, as aforesaid, or to sell its road as hereinafter provided, and a consolidated corporation shall be formed by the other corporations above named, or by any of them authorized to consolidate, and with the aforesaid interests of the Commonwealth, such consolidated corporation is hereby authorized and required to establish, on or near tide-water in or near the city of Boston, before the first day of May, in the year of our Lord eighteen hundred and seventy-seven, a terminal depot for the accommodation of its merchandise and other traffic, with power to take the land necessary therefor; and it is further authorized to extend its railroad from a convenient point at or near the present terminus of the line of the Vermont and Massachusetts Railroad in Fitchburg, by some direct and feasible route, to said terminal depot; and for these purposes it may, within two years, take and hold and use so much of the road, property and franchises of the Fitchburg Railroad Company as may be necessary and convenient therefor, subject to the laws relating to the taking of land by railroad corporations and the compensation to be made therefor, or it may purchase, lease or hire the Fitchburg Railroad subject to all the laws relating to the leasing of railroads; and the Fitchburg Railroad Company is hereby authorized to sell or lease its road to the consolidated corporation by a vote of a majority in interest of the stockholders present and voting, and the consolidated corporation shall have all the powers and privileges, and be subject to all the duties, restrictions and liabilities set forth in the general laws that now are or hereafter may be in force relating to railroad corporations: *provided, however*, that said extension road shall be located within two years from the date of consolidation, and constructed within four years after date of consolidation.

SECT. 5. In fixing the terms of the consolidation and union authorized by this act, whether the same is done by agreement or by a board of commissioners, the value of the several interests consolidated, and the amount of capital stock which shall be apportioned to represent each of said interests, shall be fixed with reference to the probable time of completion of the Hoosac tunnel, and, in case the terms of consolidation are fixed by commissioners under the provisions of this act, said commissioners shall, in their award, have reference to the relative values of the entire property owned by the competent corporations, and of the railroad interests of the Commonwealth authorized by this act to be united therewith.

SECT. 6. The capital stock of the consolidated corporation shall not exceed the aggregate appraised value of the respective component roads, and such additional amounts as shall actually be hereafter expended by said corporation for equipment, tracks and terminal facilities; and also such additional amounts as may be actually expended in the purchases of connecting roads as hereby authorized.

SECT. 7. The said consolidated corporation may purchase or lease any railroad or railroads now chartered or built between the intersection of the Troy and Greenfield Railroad with the State line of Massachusetts and Lake Ontario or Lewiston on the Niagara River, or on the route thereto, and may operate and maintain the same.

SECT. 8. The said consolidated company may locate and construct such tracks in the towns of Belmont, Cambridge and Arlington as may be necessary to connect the Fitchburg Railroad and its Watertown branch with the Lexington and Arlington Railroad, for the purpose of making the Mystic River terminal facilities accessible to the line hereby authorized.

SECT. 9. Chapter four hundred and fifty-nine of the acts of eighteen hundred and sixty-nine, entitled an act to in-

corporate the Great Northern Railroad Company, is hereby repealed, and the Lowell Railroad Corporation, upon being consolidated under the provisions of this act, shall become subject to the general laws relating to railroad corporations, as though by its charter it had been made subject to alteration or repeal by the legislature.

SECT. 10. There shall be a board of directors of the said consolidated corporation, to consist of thirteen persons, three of whom shall be appointed by the governor with the advice and consent of the council, to hold office, one for one year, one for two years, and one for three years, and as often as a vacancy shall occur by expiration of a term of office, the governor and council shall fill the same by an appointment for three years, and if a vacancy shall occur for any other cause the governor and council shall fill said vacancy for the remainder of the unexpired term. The remaining ten directors shall be chosen by the corporation, subject to the provisions of the general laws.

SECT. 11. The first meeting of the corporation hereby authorized shall be held in the city of Boston, and shall be called by the presidents or either of them, of the corporations composing its parts; ten days' notice shall be given of the time and place of said meeting by publication in two newspapers in the city of Boston, one in the city of Fitchburg, one in the city of Lowell, one in each of the towns of Greenfield and Adams, and two in the city of Troy, in the State of New York; and at said meeting any person holding stock in either of the component corporations shall be entitled to one vote for each hundred dollars of the par value of the capital stock to which he is entitled in the new corporation, under the agreed or appraised basis of union, to be ascertained and registered in such manner and at such time before said meeting as the presidents of the component corporations, with the consent of the governor and council, may prescribe. The officers respectively of the said corporations shall continue to exercise, in behalf of the united corporations, all the rights and powers which they now exercise, till the united corporations shall be organized; and after the organization of the corporation formed as aforesaid, each of the existing corporations shall continue for the purpose of perfecting the said union, and doing all such acts and things, if any, as may be necessary therefor, and shall execute all such transfers, assignments and conveyances as the corporation, formed as aforesaid, may deem necessary or expedient to vest in itself any property, estates, contracts, rights or claims, if any there be, which do not vest in it by virtue of this act.

SECT. 12. Upon the election of directors, the consolidated corporation shall have, hold and possess and enjoy all the estate and interest of the Commonwealth in the Troy and Greenfield Railroad and Southern Vermont Railroad, except the Hoosac tunnel and its approaches herein reserved, and all the property, real or personal, of the Commonwealth held, used or enjoyed in connection therewith, subject however to the right of the Commonwealth to control and regulate the use of the Hoosac tunnel as provided in the first section of this act; and subject also to all other provisions of this act, and, subject to the provisions of this act, shall have all the powers, privileges, rights, franchises, property, claims, demands and estates which at the time of such union may be held and enjoyed by either of the said existing corporations which shall have voted for consolidation, and be subject to all the duties, restrictions, obligations, debts and liabilities to which, at the time of the union, either is subject to severally; and all suits at law or in equity, and all proceedings before any tribunal which may be pending, to which either of said corporations shall be a party, may be prosecuted and defended by the corporation hereby authorized in the same name, in like manner and with the same effect as might have been done had such union not been formed. All claims, contracts, rights and causes of action, of or against either of said corporations, at law or in equity, may be enforced by suit or action, to be commenced or prosecuted by or against the corporation formed as aforesaid.

And the said existing corporations shall continue corporations for the purpose of prosecuting or defending any suit or proceeding at law or in equity, or otherwise, now pending, or which may hereafter be brought by or against either of them out of this Commonwealth.

SECT. 13. The corporation formed as aforesaid shall have power, within five years from the passage of this act, to take and hold additional lands necessary for the enlargement of its depot accommodations, or for straightening its line and for making the alterations, improvements and additions herein authorized, compensation therefor to be determined by law; and said corporation is further authorized and empowered at any time, within three years from the passage of this act, to purchase or lease, and thereafter to hold, maintain and operate in connection with, or unite to its consolidated line, the Chesnire Railroad Company, and the Nashua, Acton and Boston Railroad Company, or either of them, and also all or either of the railroads now leased to or operated by the several corporations forming the consolidated corporation established by this act.

SECT. 14. The Vermont and Massachusetts Railroad Company is authorized to sell and convey that portion of its franchise and railroad from Miller's Falls to Brattleborough upon terms to be agreed upon by a vote of a majority in interest of the stockholders of said company present and voting at a meeting duly called for that purpose. And any railroad corporation established under the laws of this Commonwealth is authorized to purchase the same upon terms to be agreed upon by a similar vote.

SECT. 15. The Commonwealth may at any time, after six months' notice in writing of its intention so to do, take and possess the road, franchise, property, rights and privileges of the said consolidated corporation. In case of such taking by the Commonwealth, but subsequent thereto, the stockholders of the corporation shall receive, as compensation in full for each and every share of its capital stock by them individually surrendered, such sum of money as may be awarded by three commissioners who shall be appointed by the supreme judicial court, on petition of any party in interest, and duly sworn to appraise the same according to its true value at the time of such taking.

SECT. 16. The award of the commissioners provided for in the preceding section shall be rendered within one year after their appointment, and shall not be for a sum less than the par value per share of such stock; nor, in case the true value of such stock at the time such intention to take is notified shall exceed the par value, shall said award be for an amount in excess of the sum of ten dollars per share over and above the highest average market value of such stock at *bona fide* cash sales made during any consecutive month within one year immediately previous to the notice of such intention to take.

SECT. 17. Pending the publication of said award and until the surrender of the capital stock of the corporation, or the expiration of two months after the tender by the Commonwealth, through a notice published in a newspaper in the city of Boston, of the sum fixed by said award as the value of such capital stock, the holders thereof shall be entitled to receive from the treasury of the Commonwealth, upon the first days of each April and October, or upon the usual semi-annual dividend days of said corporation, an amount equal to the average semi-annual dividend paid by said corporation during the two years immediately preceding such taking, and in the same proportion for any time less than six months.

SECT. 18. Upon the consolidation of the Fitchburg Railroad Company as hereinbefore provided, or upon the obtaining or establishing by said Boston and Northwestern Railroad Company of a terminal depot in Boston, in any other manner under this act, the said Boston and Northwestern Railroad Company, may with the other railroad corporations whose roads enter Boston from the north, make such exchanges and relocations as may be necessary and convenient to do away with the present grade crossings of said railroads in Somerville, Charlestown and Boston, except for freight purposes, and to better enable said companies to accommodate the public in the receipt and delivery of passengers and freight and for these purposes, thereupon the Eastern Railroad Company may, after three months' notice in writing to the owner thereof, take or purchase all the land, depot property and buildings now belonging to the Fitchburg Railroad Company, situated in Boston, south of the channel or passageway for vessels through the Fitchburg Railroad bridge over Charles River, said property to include all the draws and drawbridges over the passageway for vessels.

Also all the property, land and buildings situated on the southwesterly side of the following described line, to wit: beginning at a point on the northerly side of the abovementioned passageway for vessels twenty-two feet nine inches east of the easterly line of the roadway draw over said passageway, and running northerly at right angles to said passageway, one hundred and three feet five inches, to a point where said line intersects with northeasterly line of said Fitchburg Railroad bridge over Charles River; thence northerly, following and coinciding with said northeasterly line of bridge, eight hundred and forty-eight feet; thence turning and running westerly to a point in the north rail of the north passenger track of the Fitchburg Railroad, distant four hundred and sixteen feet seven inches from the southeasterly line of Austin street, measured on said north rail of the north track. Said point is also distant twenty-nine feet four inches at right angles from the southerly side of the wooden freight-house (measured from a point sixty feet distant from the westerly end) now belonging to the Fitchburg Railroad Company, on Front street; thence southerly, crossing the Fitchburg passenger tracks at right angles to a point four feet distant south of the south rail of south passenger track; thence westerly on a curved line parallel with the south rail of the south passenger track, and four feet distant therefrom, to the southeasterly line of Austin street in Charlestown. And if the Eastern Railroad Company shall so take the said property now belonging to the Fitchburg Railroad Company, then the corporation from which the same shall have been so taken shall take or purchase all the like property of the Eastern Railroad Company lying between the crossing of the Eastern and Fitchburg railroads and Causeway street in Boston, except the parcel of land to be taken by the Boston and Maine Railroad, as hereinafter provided, and in case of the taking or exchange of the tracks and property herein before described, or any part thereof, the Fitchburg Railroad Company or its successor shall locate and construct such tracks and bridge structures on the westerly side of the present line of the Eastern Railroad as may be necessary to connect its railroad and tracks with the tracks and property so purchased or taken by it, and shall not thereafter cross said Eastern Railroad or said Boston and Maine Railroad, except for freight purposes; and the Eastern Railroad Company shall locate and construct such tracks and bridge structures as shall be required to connect its present tracks, northerly of its crossings with the Boston and Maine Railroad, with the tracks and property so purchased or taken by it, keeping at all times east of a line drawn from a point on the easterly line of its present location, distant southerly three hundred and fifty feet, measured on said line from its intersection with the southerly line of Cambridge street to the point of intersection of the northerly line of the State prison wharf with the easterly line of the location of the Boston and Maine Railroad, and thence keeping east of said easterly line of said location, and shall not thereafter cross the tracks of the Boston and Maine Railroad; and the Eastern Railroad Company shall take any land now belonging to the Boston and Maine Railroad in Charlestown or Somerville, lying easterly of such new location; and the Boston and Maine Railroad shall take all the roadbed, land and property of the Eastern Railroad Company lying between the line above described for the westerly limitation of said new location of the Eastern Railroad and the westerly line of the old location of the Eastern Railroad, and the present northerly line of the Fitchburg Railroad: *provided, however*, that in case of the aforesaid taking and exchange of property by and between the said corporations, the Boston and Maine Railroad shall release the Eastern Railroad Company from all damages for its taking and occupation thereof, and take from the said Eastern Railroad Company so much of the premises described in the first section of the three hundred and fifty-sixth chapter of the acts of the year eighteen hundred and seventy-two, as was taken from the said Boston and Maine Railroad by said Eastern Railroad Company under the provisions of that act; and said Eastern Railroad Company shall, without other compensation therefor, release to said Boston and Maine Railroad all the rights in said premises required by their taking the same under said act; and *provided, further*, that any exchanges of land made under the provisions of this section shall take effect simultaneously.

SECT. 19. All general laws relating to the taking of land for railroad purposes and to the location and construction of railroads, shall be applicable to and govern the proceedings in the taking and exchange of lands and property and in the making of any new locations under the provisions of the foregoing sections, except that instead of the county commissioners three disinterested persons shall be appointed by the supreme judicial court for the county of Suffolk as a board of commissioners to determine the values of the lands and property so taken and exchanged or over which any such location may be made, and to adjudicate the damages to be paid by any of the others upon the taking, exchange or locations aforesaid, from whose decision an appeal shall be to a jury in behalf of either party, as provided by law in the case of lands taken for railroad purposes.

SECT. 20. This act shall take effect upon its passage.

THE HOOSAC TUNNEL.—Discussing the question of the Hoosac tunnel, and Boston and the Western trade, the New York Bulletin, a paper characterized for its impartial treatment of all commercial questions, says that "New York should regard this last and greatest enterprise of Boston with honest sympathy and appreciation. New York can no more deprecate or be envious of the tunnel, and what it is going to do for Boston, than it would exult in the Boston fire. The day has gone by when the prosperity of one locality depended on the decay or loss of another. The richer Boston may be, and the greater her trade, the better for this city and the whole community. The Western trade is growing at a rate that will require not merely one but many tunnels and Erie canals, and by the time Boston has attained the present growth of New York, our city will have so far advanced that it will still maintain its relative superiority as the commercial capital of our continent. Only, Boston affords an example of enterprise in this and some other points, such as increasing the terminal facilities of her railroads, which is well worthy our imitation."

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MINORITY REPORT.

The following is a minority report of those members of the railway committee favoring State ownership:—

The committee, after public notice to all parties in interest, commenced its hearings upon the subject-matter of these petitions on the twenty ninth day of January, and finally closed them on the twenty-first day of March. Under the authority granted by the legislature, a reporter was employed by the committee, by whom a verbatim report was made of all the testimony and arguments submitted to the committee. This has been printed for the use of the committee and of the legislature, and is now accessible to members. Many parties were represented by counsel, and various plans were presented. The first proposal was that of the Troy and Boston and Vermont and Massachusetts railroad companies, for a consolidation under one corporation of the direct line between Boston and Troy. The second, for a consolidation of the Boston and Lowell and Fitchburg railroad companies, with authority to lease or purchase the lines to the tunnel and to Ogdensburg, placing under the control of one corporation about fifteen hundred miles of railroad. Third, the proposition was urged upon the committee to provide for the acquisition by the State of the tunnel line. The attendance before the committee was not limited to the representatives of corporations directly or indirectly interested in the result. Committees of the board of trade and other commercial associations, and many private citizens to some extent representing the public interests; while the larger audiences in attendance upon the sessions of the committee attested the deep interest of the business community in the subject-matter under discussion. The problem before the committee was to determine how the people of this Commonwealth could derive the greatest benefit from the construction of the tunnel which has involved so large a public expenditure. The relations of the State to this enterprise have greatly changed since its commencement. The tunnel was projected as a private enterprise, which was first aided by the State by a loan of its credit. It was doubtless then intended that the tunnel when completed should form part of the through line over the Fitchburg, Vermont and Massachusetts, Troy and Greenfield, and Troy and Boston railroads, to be owned and controlled by these corporations like the rest of the line. This project failed. The Troy and Greenfield Railroad Company was unable with the State loan to complete the tunnel, and after great delays and difficulties surrendered its railroad and the incomplete tunnel to the Commonwealth, which has since carried on the work at the public charge. Its completion within the current year may be expected, and the total expenditure from the treasury of the State will amount, including interest, to about $12,000,000. This expenditure is a charge upon the people and property of the whole State. It seems improbable that any disposition can be made of the tunnel which can return to the treasury the whole sum expended, and it is for the legislature to determine how far a return can be made to the people of the State from this great public expenditure, in increased means of transportation and a reduction of rates which are now a burden upon the whole community. Since the tunnel was projected, new lines of railroad have been built which give to nearly every portion of the State direct access to the tunnel and through it to the great West. In the progress of the hearing certain points were made tolerably clear:—

First, That the tunnel itself should be so far held and controlled by the State as to insure its use on equal terms by all parties.

Second, That some consolidation of the line or lines working through the tuunel was essential to secure efficiency of action, and to provide for the great business awaiting the completion of the tunnel,

Third, That to provide equipment and terminal facilities for such a business, the weak and disjointed separate corporations were inadequate, and that it was particularly desirable that some action should be taken at the present session of the legislature,

The policy of direct State ownership was strongly pressed upon the committee by the railroad commissioners and other parties. The address of Mr. Adams in behalf of the commissioners, upon this subject, is contained in the printed report, and is a clear and able statement in behalf of this policy. While the experiment has been tried in other States, and under other circumstances has failed, we do not think it is to be condemned for this reason. These experiments were tried before the development of the railroad system, and generally in thinly-peopled States, where State construction of railroads was a political necessity to supplement private capital that could see no inducement for investment. In the days when State management failed, corporation management failed to quite as great an extent. The statement of Mr. Adams, in regard to the results of the system in Belgium, are very striking, and in England the current seems to be setting in favor of the assumption of the railroads by the government. To any careful observer of the railroad development of the past twenty five years, there can be little doubt of a like progressive increase in this business in the future. If the benefit of this increase in business can be secured to the people who furnish the traffic, instead of to the corporations who provide the capital, an immense public benefit will follow. The most valuable experiment to be tried at the present day is to ascertain how cheaply railroad transportation can be afforded. Corporations formed to make money for their stockholders can hardly be expected to fairly try this experiment. The greatest need of this Commonwealth is cheap transportation. To secure this the Hoosac tunnel has been constructed at a cost of $12,000,000 of public money. We are fully convinced that to secure to the people the full advantages to be derived from the construction of this new avenue to the West, and to secure equal rights to all parties desiring to use it, the State must not part with the control of the tunnel. We are equally convinced that to secure efficiency in the lines working through the tunnel, consolidation is necessary, and that the tunnel itself must be worked and managed for all parties using it, by one head. It would follow that the State, retaining the tunnel, should operate it and should also own or control one line of road between Boston and the West, at the same time giving to all parties, without discrimination, equal advantages in the tunnel. The State management cannot afford to be unjust or to discriminate. No private corporation can be trusted when its own interests may conflict with the interests of other and perhaps rival corporations, to establish or to enforce rules for the transaction of such business. We therefore report and recommend the passage of the accompanying bill, "to incorporate the State board of trustees of the Hoosac Tunnel Railroad."

Its purpose is to form a corporation for the management of the Troy and Greenfield Railroad and Hoosac tunnel, with all the powers of a railroad corporation. It is to be composed of five trustees, to be appointed by the governor and council, each to hold office for five years, and one of whom shall be appointed annually. To these five State trustees are to be added not exceeding three, one by each of the railroad corporations whose property may be acquired or managed under the terms of the act.

Instead of directly purchasing the railroads constituting the direct line, provision is made for leasing these railroads by the new corporation upon terms which are fair and equitable for all parties. The returns to the railroad commissioners show that the average expense of operating the railroads of this State is seventy-five per cent. of the gross income. We therefore propose to set apart for the benefit of each of these corporations twenty-five per cent. of the gross income of its railroad, out of which shall be paid a yearly rental; and that they may not in any event be losers by the experiment, it is proposed to guarantee to them an amount sufficient to pay to their stockholders the dividends they are now paying, with liberty to increase to the maximum which law or custom permits our railroad corporations to pay.

That such a lease would receive the assent of the companies interested, we have strong reasons to believe.

It secures to the stockholders the dividends they are now receiving. It secures also to them the benefit of any increase of business likely to accrue from the completion of the tunnel, to as full an extent as they can hope to benefit by it. No railroad corporation ought ever to pay more than ten per cent. dividends, and the legislature would undoubtedly, under its power to regulate tolls, interfere to prevent greater dividends.

While these corporations are thus interested in the earnings of the roads, the bill provides that they should be represented in their management. We shall thus secure the services of persons familiar with the local business and history of the separate roads, and although forming only a minority of the board of management, they must have an important influence in the direction of its affairs.

The benefits to be gained by the State by this arrangement are obvious and manifold:—

It retains State ownership and management of the tunnel.

It secures to all corporations desiring to use the tunnel equal rights.

It secures to the Commonwealth the full value of its investment, whatever future developments of business shall prove that value to be.

It assumes the establishment of a strong corporation, able to provide all equipment and terminal facilities which any future increase of business may render necessary or advisable.

It meets all the presumed advantages of State acquisition of the railroads, without that disturbance and removal of capital which must follow the purchase of the railroads by the State.

It can furnish capital for the improvement of the line at a cheaper rate than any consolidated company can procure it; and cheap capital in disinterested hands secures *cheap* transportation. It enables the State to try fairly and fully the experiment of cheap transportation. It creates a corporation which cannot combine with other corporations, nor can its stock be purchased or in any way controlled by outside parties, and is strong enough to compete successfully with the powerful corporations of neighboring States. Such a management we believe would be efficient and reliable beyond that of ordinary railroad corporations. It would combine to a great degree the advantages of State and corporate management. The governor and council could be depended upon to appoint suitable persons as trustees. The railroad corporations would naturally appoint their most efficient agents as trustees. Such a board could find no difficulty in securing the services of the ablest railroad officers to direct and aid in the management. It remains to refer briefly to the other propositions before the committee

First, to that of the Boston and Lowell Railroad Company to unite with the Fitchburg. This is a proposal to unite two lines in some degree rival and competing. They are rival lines to some extent for local business. They form parts of rival lines for distant business with the North and West. It is a new proposition in this Commonwealth to unite rival and competing lines. This competition will be increased with the opening of the tunnel line. The Lowell is the natural terminus of the Northern line, and the Fitchburg is the natural terminus of the tunnel line. Whatever advantages may accrue to the corporations themselves from such a consolidation, the public results will be unmitigated evil. Not one witness unconnected with the interested corporations appeared before the committee to testify in favor of such a consolidation. The evidence against it was strong and conclusive. The Northern line by way of the Lowell and Vermont Central was shown to be of great value to Boston and to Massachusetts. It is now in a measure consolidated under contracts having twenty years to run, and it is surely bad policy for the Commonwealth, having expended $12,000,000 to create a new line, to commence its operations with the destruction of one in full and vigorous existence. Moreover, such a consolidation threatens, more than anything else, State control of the tunnel itself. A powerful corporation, owning the whole line except the tunnel, would soon compel the transfer of that, and until such transfer, would throw upon the State, as the owner of the tunnel, the responsibility for all the sins and omissions of the line.

The important question of an interchange of dépôts and tracks by the railroads entering Boston on the north has been somewhat involved in this hearing. The avoidance of railroad crossings is undoubtedly of great importance, but it has no proper connection with the disposal of the tunnel. The Eastern Railroad Company and Boston and Maine Railroad are agreed what changes can and should be made to avoid these crossings. All that is essential to secure this end is to remove the passenger station of the Fitchburg Railroad west of the Lowell, where it properly belongs. The legislature has full power in the premises. It can, independently of any consolidation, require the Fitchburg Railroad Company to provide passenger accommodations west of the Lowell station, and thus leave its present station on Causeway street free for the use of the Eastern Railroad Company. If the State acquires the Fitchburg Railroad under this act, it can easily provide for the change. The whole question of interchange of dépôts is independent of the far more important question of the disposition of the tunnel, and should not control it. If the Lowell Railroad can provide for the wants of the Fitchburg Railroad Company in its passenger station after consolidation, it can do so without consolidation.

Respectfully submitted by

E. P. CARPENTER,
J. K. BAKER,
T. W. WELLINGTON,
WILLIAM BAKER,
Members of the Committee on Railways.

AN ACT to incorporate the State Board of Trustees of the Hoosac Tunnel Railroad.

Be it enacted by the Senate and House of Representatives, in General Court assembled, and by the authority of the same, as follows:

SECT. 1. The governor, with the advice and consent of the council, shall, as soon after the passage of this act as may be convenient, appoint five persons, citizens of this Commonwealth, who shall, on or before the first day of July next, take the Troy and Greenfield Railroad, and the Hoosac tunnel when it shall be completed or surrendered by the contractors, and all the property and interest of the Commonwealth in the Southern Vermont Railroad Company, and hold the same in trust for the purposes hereinafter named, one of whom shall hold his office for five years, one for four years, one for three years, one for two years, and one for one year, from the — day of —. Before the first day of July in each year, one such trustee shall be appointed for the term of five years; upon the occurrence of a vacancy before the expiration of a term, an appointment shall be made for the remainder of such term.

SECT. 2. Said trustees are hereby created a corporation under the name of the State board of trustees of the Hoosac Tunnel Railroad, and shall have all the powers and privileges, and be subject to the duties, restrictions and liabilities set forth in the general laws relating to railroads, so far as the same may be applicable and not inconsistent with the provisions of this act.

SECT. 3. Before entering upon their duties, said trustees shall be sworn to the faithful performance of the same. They shall organize by the election of a president, clerk and such other officers as shall be necessary, and they shall prepare by-laws in accordance with which their meetings shall be held.

SECT. 4. Said board of trustees shall have sole charge, direction and control, subject to the provisions of this act, of the Troy and Greenfield Railroad and of the Hoosac Tunnel, when said tunnel shall be completed or surrendered by the contractors of the Southern Vermont Railroad, and of such other railroads as may be leased or acquired under the provisions of this act. They shall appoint a treasurer, a general manager, whenever they deem such an officer necessary, one or more superintendents and such other agents as may be required for the operation of said railroads and tunnel, and they shall define the duties and fix the compensation of such officers and agents. They shall establish rates for the transportation of passengers and merchandise, and make contracts and arrangements with connecting roads in relation to joint rates and joint business, and they may do all other things, not inconsistent with the provisions of this act and the general laws in relation to railroads, which may be necessary for the efficient and economical operation of said railroads and tunnel.

SECT. 5. Said board of trustees shall hold in trust all moneys received from the operating of said railroads and tunnel, and all moneys which may be appropriated by the Commonwealth for the completion, extension and improvement of said railroads and tunnel, and for the equipment thereof, and shall faithfully apply the same. They shall annually pay into the treasury of the Commonwealth the net income received from said roads and tunnel after the payment of the expenses; and the same shall be set apart, under the direction of the governor and council, and applied in such manner and at such times as they shall direct to either or all of the following purposes: the extinction of any indebtedness, or payment of interest thereon, which the Commonwealth may at any time incur to carry out the purposes of this act, or any act in addition to or amendment thereof; the extinction of the indebtedness, or payment of interest thereon, which has been or may be incurred in the construction of the Hoosac tunnel; and the purchase of stock in any company which shall lease its franchises, railroad and property in perpetuity to the corporation hereinbefore created.

SECT. 6. Said board of trustees shall make a semi-annual report to the governor and council of their doings during the six months next preceding, and of their receipts and expenditures, and shall make an annual report to the board of railroad commissioners in the manner and form at the time prescribed for railroad corporations.

SECT. 7. Said trustees shall receive, in full compensation for their services as such, the sum of three thousand dollars each per annum, except the president of the board, who shall receive five thousand dollars, which sums shall be charged to operating expenses. No trustee shall be appointed to any office in the employ of said board of trustees, but the general manager, when such officer shall be appointed, shall be *ex officio* a member of the said board.

SECT. 8. Said board of trustees is hereby authorized to re-locate, where necessary, the tracks of said Troy and Greenfield Railroad, taking land therefor in the method prescribed by law in case of land taken for depot or station purposes, and to complete, extend and improve the construction and equipment of said railroad and tunnel, and to prepare the same in all respects for the reception of the traffic of a through line.

SECT. 9. The sum of million dollars is hereby appropriated, to be expended under the direction of said board of trustees in carrying out the provisions of this act, to be paid to them from time to time as the same may be required and called for, by a two-thirds vote of said board of trustees, on the warrant of the governor. And for the purpose of providing for said appropriation the treasurer of the Commonwealth is hereby authorized to issue scrip or certificates of debt in the name and on behalf of the Commonwealth to an amount not exceeding dollars, to be sold or disposed of in such manner, and at such times, and in such amounts, as the governor and council shall direct. Such scrip shall be redeemable in not less than nor more than years from the date thereof, shall bear interest not exceeding per cent. per annum, payable semi-annually, and shall be known as the "Hoosac Tunnel Railroad Loan"; and the property of the Commonwealth in the Troy and Greenfield Railroad and said tunnel is hereby set apart and pledged to the redemption of said scrip.

SECT. 10. Said board of trustees is hereby authorized, and directed, to lease, in perpetuity, the franchises and property, and thereafter to maintain, improve and operate the railroad, with its branches, of the Vermont and Massachusetts Railroad Company, on the terms following: twenty-five per cent. of the gross earnings of said leased railroad and property shall be reserved annually by said board of trustees as a specific fund out of which they shall pay to said company, first, a sum sufficient to pay the interest on the indebtedness of said company, at the date of said lease, as said interest becomes due, and, second, a yearly rental equal to eight per cent. on the present capital stock of said company, (and on any additional

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stock, when the same shall be issued for existing convertible bonds), or such a proportion of said rental, not exceeding said eight per cent., as said reserved fund shall be sufficient to pay: *provided, however*, that in no year there shall be paid to said company a rental of less than four per cent. on said capital stock, together with the amount of said interest; and to the payment of such minimum rental and interest said board of trustees is authorized to pledge the faith of the Commonwealth. Said board of trustees is also authorized to assume and make provision in said lease for the payment of the principal of said indebtedness. The surplus of said reserved fund shall be annually passed by said board of trustees to the account of earnings. When said lease shall have been executed, and while the same continues in force, said Vermont and Massachusetts Railroad Company may elect, from time to time, for a term not exceeding five years, one trustee, who shall be added to said board of trustees, and, upon being sworn to the faithful performance of his duties, shall become an incorporated member of the State board of trustees of the Hoosac Tunnel Railroad; and said company may fill vacancies for the remainder of the term.

SECT. 11. Said board of trustees is hereby authorized and directed to lease in perpetuity the franchises and property, and thereafter to maintain, improve and operate the railroad, with its branches, of the Fitchburg Railroad Company, on the terms following: Twenty-five per cent. of the gross earnings of said leased railroad and property shall be reserved annually by said board of trustees as a specific fund, out of which they shall pay to said company a yearly rental equal to ten per cent. on the present capital stock of said company, free of all taxes upon the stockholders or said company, and also on an additional capital stock of one hundred thousand dollars, which said company is hereby authorized to issue and hold for its own benefit, or such a portion of said rental, not exceeding said ten per cent. and said taxes, as said reserved fund shall be sufficient to pay: *provided, however*, that in no year shall there be paid to said company a rental of less than eight per cent. on said capital stock and taxes; and to the payment of such minimum rental, said board of trustees is authorized to pledge the faith of the Commonwealth. The surplus of said reserved fund shall be annually passed to the account of the earnings. When said lease shall have been executed, and while the same continues in force, said Fitchburg Railroad Company may elect, from time to time, for a term not exceeding five years, one trustee, who shall be added to said board of trustees, and, upon being sworn to the faithful performance of his duties, shall become an incorporated member of the State board of trustees of the Hoosac Tunnel Railroad; and said company may fill vacancies for the remainder of the term.

SECT. 12. Said board of trustees is hereby authorized and directed to lease the franchise and property, and thereafter to maintain, improve and operate the railroad, with its branches, of the Troy and Boston Railroad Company, and shall pay therefor an annual rental equal to twenty-five per cent. of the gross earnings of said leased railroad and property. When said lease shall have been executed, and while the same continues in force, said Troy and Boston Railroad Company may elect, from time to time, for a term not exceeding five years, one trustee, who shall be added to said board of trustees, and upon being sworn to the faithful performance of his duties, shall become an incorporated member of the State board of trustees of the Hoosac Tunnel Railroad; and said company may fill vacancies for the remainder of the term.

SECT. 13. In estimating what shall constitute the said twenty-five per cent. of the gross earnings of said several leased railroads, out of which their rentals are to be paid there shall be first deducted from twenty-five per cent. of their respective gross earnings, six per cent. per annum on all amounts expended by said board of trustees for the permanent improvement of said railroads respectively.

SECT. 14. Said Vermont and Massachusetts, Fitchburg, and Troy and Boston railroad companies are severally authorized to lease their franchises and property to said board of trustees.

SECT. 15. Said board of trustees is further authorized, with the approval of the governor and council, to lease or purchase necessary terminal facilities, and also to lease any railroad lying in the tunnel route between Boston and Lake Ontario.

SECT. 16. In the carriage of through passengers and merchandise, the rates of transportation shall be estimated pro rata per mile, and the Hoosac tunnel shall be estimated at such length in miles, not exceeding fifty, as shall seem equitable to the trustees.

SECT. 17. In the management of such railroads as shall come under the operation of said board of trustees, there shall be no unequal discriminations in freights, fares or facilities in favor of or against different persons, places or connecting railroads.

SECT. 18. In case of the lease of the Fitchburg Railroad under the terms of this act, the said board of trustees is authorized and directed to purchase the terminal facilities in Boston, westerly of the freight station of the Boston and Maine Railroad, and to arrange with the Eastern Railroad Company for an interchange of stations in Boston in such manner as to obviate the necessity of passenger trains on the Eastern Railroad, Boston and Maine Railroad and Fitchburg Railroad crossing the tracks of the other, and the Eastern Railroad Company is hereby authorized, with the assent of said trustees, to take or purchase all the land, depot property and buildings of the Fitchburg Railroad Company, situated in Boston, south of the channel or passage-way for vessels through the Fitchburg Railroad bridge over Charles River, said property to include all the draws and draw-bridges over the passage-way for vessels.

Also all the property, land and buildings situated on the southwesterly side of the following line,—to wit, beginning at a point on the northerly side of the above-mentioned passage-way for vessels twenty-two feet nine inches east of the easterly line of the roadway draw over said passage-way, and running northerly at right angles to said passage-way, one hundred and three feet five inches, to a point where said line intersects with the northeasterly line of said Fitchburg Railroad bridge over Charles River; thence northerly, following and coinciding with said northeasterly line of bridge, eight hundred and forty-eight feet; thence turning and running westerly to a point in the north rail of the north passenger track of the Fitchburg Railroad, distant four hundred and sixteen feet seven inches from the southeasterly line of Austin street, measured on said north rail of the north track. Said point is also distant twenty-nine feet four inches at right angles from the southerly side of the wooden freight house (measured from a point sixty feet distant from the westerly end) belonging to the Fitchburg Railroad Company, on Front street; thence southerly, crossing the Fitchburg passenger tracks at right angles to a point four feet distant south of the south rail of south passenger track; thence westerly on a curved line parallel with the south rail of the south passenger track, and four feet distant therefrom to the southeasterly line of Austin street, in Charlestown. And if the Eastern Railroad Company shall so take the said property of the Fitchburg Railroad Company, then the Fitchburg Railroad Company shall take or purchase all the like property of the Eastern Railroad Company lying between the crossings of the Eastern and Fitchburg railroads and Causeway street in Boston, except the parcel of land to be taken by the Boston and Maine Railroad, as hereinafter provided; and in case of the taking or exchange of the tracks and property hereinbefore described, or any part thereof, the said Fitchburg Railroad Company shall locate and construct such tracks and bridge structures on the westerly side of the present line of the Eastern Railroad as may be necessary to connect its railroad and tracks with the tracks and property so purchased or taken by it; and shall not thereafter cross either said Eastern Railroad or said Boston and Maine Railroad except for freight purposes.

And the Eastern Railroad Company shall locate and construct such tracks and bridge structures as shall be required to connect its present tracks northerly of its crossing with the Boston and Maine Railroad with the tracks and property so purchased or taken by it, keeping at all times east of a line drawn from a point on the easterly side of its present location, distant southerly three hundred and fifty feet, measured on said line from its intersection with the southerly side of Cambridge street to the point of intersection of the northerly line of the State prison wharf with the easterly line of the location of the Boston and Maine Railroad, and thence keeping east of said easterly line of said location; and shall not thereafter cross the tracks of the Boston and Maine Railroad.

And the Eastern Railroad Company shall take any lands now belonging to the Boston and Maine Railroad in Charlestown or Somerville lying easterly of such new location; and the Boston and Maine Railroad shall take all the road-bed, land and property of the Eastern Railroad Company lying between the line above described for the westerly limitation of said new location of the Eastern Railroad and the westerly line of the old location of the Eastern Railroad, and the present northerly line of the Fitchburg Railroad: *provided, however*, that in case of the aforesaid taking and exchange of property by and between the Eastern and Fitchburg railroads, the Boston and Maine Railroad shall release the Eastern Railroad Company from all damages for its taking and occupation thereof, and take from the said Eastern Railroad Company so much of the premises described in the first section of the three hundred and fifty-sixth chapter of the acts of the year eighteen hundred and seventy-two, as was taken from the said Boston and Maine Railroad by said Eastern Railroad Company under the provisions of that act; and said Eastern Railroad Company shall, without other compensation therefor, release to said Boston and Maine Railroad all their rights in said premises acquired by them, taking the same under said act; and, *provided, further*, that any exchange of land made under the provisions of this section shall take effect simultaneously.

All general laws relating to the taking of land for railroad purposes and to the location and construction of railroads, shall be applicable to and govern the proceedings in the taking and exchange of lands and property, and in the making of any new locations under the provisions of the foregoing sections, except that instead of the county commissioners three disinterested persons shall be appointed by the supreme judicial court for the county of Suffolk as a board of commissioners to determine the values of the lands and property so taken and exchanged or over which any such location may be made, and to adjudicate the damages to be paid by any of the others upon the taking, exchange or locations aforesaid, from whose decision an appeal shall lie to a jury in behalf of either party, as provided by law in the case of lands taken for railroad purposes.

Any sum of money received by the Fitchburg Railroad in said interchange of stations and tracks above the expense of necessary alterations, shall be applied to procuring new terminal facilities and making improvements on said road, or may be applied to the reduction of the capital stock of the Fitchburg Railroad Company in such manner as may be agreed between the Fitchburg Railroad Company and said board of trustees.

SECT. 19. This act shall take effect upon its passage.

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authorizing a N. York railroad to lease its property to the State of Massachusetts is an anomaly, to say the least of it; but not quite so odd an act as authorizing it to consolidate with Mass. companies, as a majority report and bill proposes to do.

May 2. 1873.

COMMITTEE HEARINGS.

CONSOLIDATION OF THE BOSTON AND MAINE AND EASTERN RAILROADS.

The hearing on the bill of last year providing for the consolidation of the Boston and Maine and Eastern railroads was continued before the committee on railways yesterday morning. Thornton K. Lothrop, esq., president of the Eastern Railroad, said that at the adjournment of the hearing on Wednesday a suggestion was made by the counsel for the Boston and Maine road in regard to the ninth section of the bill. That section had been drafted to give the consolidated corporations, provided the Boston and Maine and Eastern railroad companies did consolidate, or to either of the companies which had the right by the bill to consolidate, authority to make corporate contracts with the roads running easterly from the consolidated line. This, he continued, so far as the Eastern Railroad is concerned, would give them the right to make closer connection and contracts than they now have with the Portland, Saco and Portsmouth Railroad Company, and would also give the right to extend the line, by contracts, beyond Portland. I believed at the time I drew the section, and I now believe, that the section in the form in which it now stands is in the form which would best forward the consolidation, the reason of which I stated to the committee, yesterday. It concerns stockholders in both roads, not of one more than of the other, and the public, and it is a suggestion on my part rather than any scheme to which I stand committed.

Mr. Choate thought it was entirely foreign to the purpose of the bill, which is to unite the Boston and Maine and Eastern railroads. He was authorized to say that if the committee should see fit to report a simply permissive bill, making a few changes in the present one,—in the first section making the time six months instead of three months, and providing for an increase of capital stock over $15,000,000—that then, while the stockholders did not wish to be understood as approving the matter, they would not make any objection, provided that it was understood by the committee that no changes should be made when it went before the house or senate, so that it would remain simply permissive. The hearing was then adjourned to Wednesday next at 9½ A. M.

Special Despatch to the Traveller.

Defence of the Boston & Maine Railroad.

DOVER, N. H., May 5.—At the last term of the Supreme Judicial Court, in this city, Attorney General Lewis W. Clark filed information against the Boston & Maine Railroad Corporation for an unlawful over-issue of stock. Messrs. Choate and E. Rockwell Hoar, attorneys for the road, have filed an answer averring that the issue was made in accordance with an act of the legislatures of Maine and Massachusetts, and that they have in no way violated the laws of New Hampshire. A hearing will probably be had at the next law term.

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PRESS AND POST.

THURSDAY MORNING, APRIL 24, 1873.

Hoosac Tunnel Roads.

The majority and minority reports of the Railroad Committee of the Legislature differ in some important respects from what the public had expected, but they will be certain to command universal perusal. The majority report launches an enterprise second to none that ever engaged the attention of the people of the Commonwealth. It proposes a bill for the consolidation of the five roads heretofore associated in the consideration of this great project, the Tunnel section included, under the name of the Boston and Northwestern Railroad Company, and for extending the use of the Tunnel to all other roads directly and indirectly connected with the consolidated line, on equal terms. The act of 1869, incorporating the Great Northern Railroad Company, is repealed, and the Lowell road is to unite its interests with the other roads composing the new line. The consolidated company is to operate the Tunnel and its approaches, maintaining all ordinary repairs, and to pay over to the State eleven per cent. of the amount charged for transportation over the whole or any part of its road—the Governor and Council, however, to have power to reduce that sum at discretion. There is to be no discrimination on freight or passengers. The capital stock is not to exceed the aggregate appraised value of the several roads, together with cost of equipment, tracks and terminal facilities. And the new corporation is privileged to purchase or lease any roads now existing between the intersection of the Troy and Greenfield road with the State line and Lake Ontario or Lewiston, and to operate them. It will thus be seen that the attitude of the Lowell road to the consolidation is changed so far as it is to be made a party with the roads west of the Fitchburg, and to withdraw wholly from the Great Northern Railroad, its place to be supplied by the Boston and Maine. Also, that the Commonwealth retains full control of the Tunnel and its approaches, with the reserved right to possess itself of the entire line within six months after notice.

The minority report simply unites in its accompanying bill the roads now connecting with the Tunnel, leaving the State to operate them by a Board of Trustees, and to own the line. In comparison with the majority bill, it will be conceded by all that it is wholly unequal to the occasion that has called it out. The majority of the Committee have set forth their conclusions in a statement, with the accompanying reasons, that deals with this important question in a masterly style. Its argument for the union of the Lowell road in the projected enterprise is so broad and strong that it seems almost like cavilling to attempt to controvert it. It likewise betrays a jealousy for the permanent interests of the State that ought to disarm all prejudices against the junction of the Lowell road in this act. The distinction to be observed between competing roads and competing railroad *systems* is sagaciously raised in the enforcement of its argument for strengthening the railway system of the State, and it is convincing that the price of transported commodities is not determined by the competition of railroads at the point of their distribution, but by the competition between the entire system concentrating say at Boston and that concentrating at New York and Philadelphia. This is the more comprehensive view. By the terms of the majority bill, a great through line is to be opened to the Northwest, the new company to operate the Tunnel and the State to retain permanent control and ownership. The thoroughness with which every branch of the subject has been considered is apparent in the majority report introducing the bill for consolidation; and the ability of the Lowell road to provide the resources of every description for the successful operation of this great enterprise is demonstrated to the satisfaction of the majority, as it must be also to that of the Legislature. If this measure substantially passes, the development of the industry, wealth and power of the Commonwealth is sure to be as rapid in the immediate future as the most sanguine of its citizens can presume to anticipate. The new corporation is to be one made doubly strong by having the Commonwealth underneath.

THE PROPOSED EXPERIMENT.

We have already alluded to the report, and the bill accompanying it, submitted by the minority of the railroad committee, favoring State ownership in the tunnel line, and we return to the subject again, for the proposition is so radical and is such an abrupt departure from the accustomed ways of the Commonwealth that it needs to be carefully studied. The gentlemen who advocated the bill before the committee, and the members of the committee who signed the minority report, are earnest in their convictions as to the benefits that will accrue from the experiment, for it is conceded by the committee that it is an experiment. They say: "While the experiment has been tried in other States and, under other circumstance, has failed, we do not think it is to be condemned for this reason." The extent to which the experiment is to be carried will be seen from the following paragraph: "It would follow that the State, retaining the tunnel, should operate it, and should also own or control one line of road between Boston and the West."

The experiment is to be on an extensive and expensive scale. The West is a large place and the point indefinite. It may be Cincinnati, St. Louis, Chicago, Omaha or San Francisco, one or all. Let the proposition be fully comprehended: it is that the State should own or control. To do either will require money, and a great deal of it. Wherever money goes, influence and power go. State influence is political influence. We do not discover that there is any provision in the bill under which the trustees can obtain money for the ownership or control of roads outside of the roads in the tunnel line; hence to carry out the experiment of reaching the indefinite point in the West, they must come to the Legislature from time to time for authority to make loans on the credit of the State or of the roads leased by the State, and the rental of which is to be guaranteed by the State. This would lead to annual hearings before other railroad committees at the State House. If the present committee has been incubating since the middle of January—a period of four months—over the tunnel, and has hatched out a double-headed chick at last, how long will future committees sit upon the amounts of money to be asked for to own or control a road in New York to Oswego—to Buffalo; in Canada from Niagara river to Detroit; through Michigan to Chicago?

If the green-room at the State House has been thronged the past winter, what crowds will besiege the lobbies, by and by, when the power and influence of the State through its trustees reach the West. Men who are trustees, men who want to be trustees, the army of employés, the other army who want to be employed, the cities that are on the line, and the other cities that are not on the line, roads that are connected and roads that want to be connected, axe grinders from everywhere to grind themselves and to keep others from grinding railroad axes, political axes, personal axes, municipal axes, one city against another city. Each party will be there in person or by representative. The lobby, this present season, has extended to Troy, Rome, Oswego, and we know not how much farther; let the State enter the lists to own and contract, and, next year, the lobby will extend to Chicago. That the proposed experiment is based on a fallacy, we propose to show. A fallacy is defined by Webster to be an argument or an apparent argument which professes to be decisive of the matter at issue, while, in reality, it is not. The committe say: "It (the State) can furnish capital for the improvement of the line at a cheaper rate than any consolidated company can procure it, and cheap capital in disinterested hands secures cheap transportation. It enables the State to try fairly and fully the experiment of cheap transportation."

Here is a supposition that men working for the State will work with the same zeal for pecuniary results as when working for themselves; an assumption that the management will be just as effective, the employés just as earnest, the stock-holders just as watchful when the rental, four per cent. or eight per cent., is guaranteed by the State, as provided in the bill, as when, under corporate management, there is a possibility of earning ten per cent. The very fact that they are not interested tells against them. The man whose heart and soul are in his work, who lends all his energies to it, is the one who wins; and the railroad company which reaches out to all possible fields, that manages with energy and activity, as well as with economy, is the one which makes remunerative returns to its stockholders. Statements have been assumed as facts by the committee, which never have been proved, and the proof of State management, so far as it goes, is against the assumption. The proposed experiment is to be made upon fallacious conclusions. It is to be an experiment involving many millions of capital, to be raised by loan, the interest of which is to be guaranteed by the State. We trust it will have a very careful consideration at the hands of the Legislature and of the public.

EVENING TRANSCRIPT

SATURDAY, MAY 3, 1873.

THE TRANSCRIPT publication office is temporarily at No. 2 Court Avenue, rear of 87 Washington street, where subscriptions and advertisements are received.

THE VANDERBILT INTEREST IN THE TUNNEL LINE.

It is assumed this is visionary; that the great railway king feels little concern in what may be done with the route through the Hoosac Mountain, and would not take the trouble to control it under any circumstances. Such a statement makes Vanderbilt less mindful of his own pecuniary affairs than ordinary individuals. Even the majority of the Railroad Committee of the Legislature had a vague idea that this railroad monopolist might, by possibility, be affected by the tunnel. They provided for a consolidated corporation, which "*may*" purchase or lease any railroad or railroads between Troy and Lake Ontario, or Lewiston on the Niagara River. The corporation they propose is authorized to obtain control of a line through New York, the competition of which would prevent Vanderbilt from fleecing the business men of the interior of that State as he is now doing. Is it to be supposed he does not realize and appreciate such intended countervailing of his grasping schemes? And when to that is added the advantage of making the tunnel tributary to the New York Central, by stopping the line at Troy, will not all his energies be directed towards making the Hudson River its practical terminus? With such inducements, it can neither be considered discreet nor hardly sane legislation to admit a New York corporation,—which may, at any day, fall into Vanderbilt's clutches through the purchase of its stock and bonds, and the allurement of large prices for its Troy real estate,—into a Massachusetts line intended to compete in the interests of the business public with the immense railroads now directed by one man to swell his own enormous private gains and fortune.

Memo. of Leases

BOSTON TIMES.

BOSTON: APRIL 27, 1873.

OFFICE, 12 SCHOOL STREET.

Hoosac Tunnel Consolidation.

The Railway Committee, on the subject of the Hoosac Tunnel consolidation, have reported two bills to the Legislature as the result of the long hearing of the parties in interest before that committee. The bills to some extent represent the plans of consolidation which have been proposed, and, of course, something may be said in favor of each. It is to be regretted that the committee could not have come to a more harmonious conclusion, since neither plan alone includes the judgment or has the weight of their decision in its favor. This, however, has been its fate wherever the subject has been discussed. So that, in point of fact, the whole matter comes before the Legislature in a condition almost as crude—and if the mass of testimony and argument which has been printed, be committed—even more "muddled" than it was when the Governor first broached it; and so far as the judgment of that official goes, settled it in favor of State consolidation.

The bill reported by the chairman, Hon. Mr. Carpenter, which is signed by several other members of the committee, is in favor of the State assumption of the tunnel line, and it is understood that this plan has already received the indorsement of the Railroad Commissioners. This bill proposes the incorporation of a Board of Trustees, who are to hold the tunnel and the Troy and Greenfield road and lease the Fitchburg, Vermont and Massachusetts and Troy and Boston roads. Each of these roads is to receive twenty-five per cent. of its gross earnings, on a pro rata scale, subject to a deduction of six per cent. interest on any amount of capital which may be invested for its permanent improvement by the trustees. A dividend of eight per cent. is guaranteed to the Fitchburg Railroad Company on its capital stock, and four per cent. to the Vermont and Massachusetts Railroad on its capital stock, payable out of the 25 per cent. gross earnings. These companies may receive respectively ten per cent. and eight per cent., but beyond this any surplus of the 25 per cent. reverts to the State treasury; while the trustees for the operation of the line receive the gross earnings of the State road and tunnel and 75 per cent. of the gross earnings on the remainder of the line. This plan is the result of much careful consideration of the subject by the chairman of the committee, and if it is deemed advisable for the State to assume the line and manage it in connection with the tunnel, it seems to be more practicable and reasonable than any other plan which has been suggested.

The Troy and Boston road, by the majority bill, is to be included in the consolidation of the Fitchburg, Lowell and Vermont and Massachusetts, and this is a controlling objection to the report. The objections to any outside corporation are insuperable, and these are immensely increased as regards the Troy and Boston road, with its superfluous stock, personal liability of stockholders and Vanderbilt influence. We do not want the company as a part of the tunnel consolidation, as it can afford no assistance in the way of credit that is desirable, having a heavy debt of its own to carry now. The reported cost per mile is about two and a half to one of the Fitchburg, and probably no valuation that can be made of their property by commissioners would ever be satisfactory to the stockholders.

There is no objection whatever to a lease of the Troy and Boston road, as a part of the through line to Oswego and as a branch to Troy, and paying liberally for its use, but there are objections to any other course which are insurmountable. We do not want to be mixed up with New York law and New York liabilities, and every interest that we know of requires that the tunnel and the tunnel line should be exclusively under Massachusetts management and Massachusetts law, and in no way subjected to the legislation of the State of New York.

It has heretofore, though not very recently, been the custom in some quarters to speak disparagingly of the management of the Fitchburg Railroad, and when the consolidation of the Tunnel line was first proposed, it became the interest of some parties to renew that style of remark; and the first proposition presented to the Railway Committee, when the hearing was opened, was a bill containing a coercive clause directed against that corporation, and that bill, with its offensive section—demanding in so many words, "your money or your life"—has now been deliberately and considerately, of course, reported to the Legislature. The proposition is not simply unfair or unjust; it is more than both; it is ignominous; and Judge Hoar, with a strong reliance upon the honor and justice of the Commonwealth, said: "It is a thing that the Legislature has never yet done, and, I believe, never will do."

As matters now stand in reference to the Tunnel line, the Fitchburg Railroad is on the side of the people, contending for the rights and interests of the Commonwealth against an outside influence, manifestly under the dictation of the Vanderbilt interest, whose efforts have been most persistently directed to a consolidation with the Troy and Boston Railroad, and a termination of the Tunnel line at Troy.

The Fitchburg Railroad Company, in connection with other corporations in the line, has spent its strength in support of the tunnel from the time the work was undertaken to the present, as a strictly Massachusetts enterprise; and has looked forward to its completion with interest and in the hope of benefit to all parties. This position it holds today, and declares itself in favor of a Massachusetts consolidation for giving practical effect to a successful termination of the "vast undertaking." "Properly managed," says Gov. Washburn in his inaugural address, "this line from Boston to the State's western frontier, will be one of the best investments ever made." * * * "I am in favor, therefore, of the early consolidation of these roads, so that they may be operated and managed as a single line."

We think we have shown beyond controversion,—by law, fact, principle and State policy,—that consolidation with the Troy and Boston Railroad, and a termination of the tunnel line in that city, are not desirable on any account, excepting that of the Vanderbilt or New York interest. Neither of these things is desirable for the prosperity of the Commonwealth, neither of them comports with the magnitude of the enterprise, or the character of the people. We want a through line to the lakes, the interest of the great West are wholly under Massachusetts control, regarding a connection with the city of Troy, however desirable that may be as auxiliary to the main line, as a subordinate consideration.

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Balto ✓ 59
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Harlem 31
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BOSTON DAILY ADVERTISER.

FRIDAY MORNING, MAY 2, 1873.

THE VANDERBILT SCARE.

We understand that the argument is industriously used at the State house that unless the Commonwealth takes possession of the Tunnel line Commodore Vanderbilt will get hold of it. This gives to some well-meaning members a terrible nightmare. It is, however, merely a bugbear without terrors of any kind when one walks up to and examines it. Commodore Vanderbilt, if he is a man of the shrewdness he is credited with, cannot have designs upon the road; he could not get it if he would; and were he ever so able and willing he could not do us any harm without injuring himself still more. Furthermore his ability to control the line, supposing him to have such a design, would be greater under the State ownership system than under the private corporation system. Let us take these points in their order; but first let us say that the often repeated assertion that Vanderbilt has tried to buy the tunnel has, we believe, no foundation. Mr. Robinson, of the Troy and Boston road, has given the most explicit denial to the rumor that the dreaded railway potentate of New York was even knowing to the proposition which was made in the last days of Governor Claflin's administration, and as no other proposition of the kind ever reached an official department of the State in any way, we may assume that all reports of designs on the tunnel on his part, in the past, are groundless.

Why should Vanderbilt care about the Tunnel line? He controls the New York Central line, which is already so overloaded with business that preparations are making for laying two more tracks along the whole main line. During the year ended September 30 last, it reported to the State engineer the transportation one mile of more than a thousand million tons of freight. It is the commonest argument in use among all who discuss the tunnel question, that there is a growth of business to be done more rapid than is the increase of facilities for doing it. If those who use this argument believe it, they must suppose that Vanderbilt believes it also. It is absurd, then, to suppose that he, controlling the strongest and best equipped line in the country, can be jealous of a new road just starting in business, or that he can think of investing largely in it for the purpose of keeping it undeveloped. But the conditions under which he must take the Tunnel line, if at all, under any plan of consolidation yet suggested, are not such as would attract him. The tunnel is to be an open highway, and whether owned by the State or by a corporation, free to the use of all connecting roads on equal terms. The State is to reserve the rights to purchase the entire property on a six months' notice, and to regulate fares and freights any time. Those who credit the great "commodore" with a purpose to devote even a part of his attention and his means to a road hampered by such restrictions, do not take into the account that he has ample opportunities to increase his wealth and extend his connections where he is left unfettered. To suppose, therefore, that under the bill of the majority of the railway committee there is any inducement to him to cast his eyes in the direction of the Hoosac Mountain, is to give him less credit for shrewdness than his history warrants.

But in the next place the work of getting control of this road is one of greater difficulty than is commonly supposed. Let it be granted—what we do not believe—that he might easily get the use of such stock as the Troy and Boston property would represent. This would be offset at once in stockholders' meetings by the shares which the Commonwealth is to hold. In the election of directors the State has no part, but chooses three of its own. To control a majority of the stock of the Lowell, Fitchburg, and Vermont and Massachusetts railroads, means to buy more than half of the existing capital stock of those three roads, which amounted last September to $9,094,000 at par, or $10,847,000 at the latest quotations. Extensive purchases would send the stock up rapidly. There were by the last report 4193 shareholders in these three roads, owning an average of about twenty-two shares each. Is it reasonable to suppose that a majority of this stock, manifestly owned by small holders, would get into the market? Nearly eighty-three per cent. of the stockholders, owning more than eighty-eight per cent. of the stock, are residents of Massachusetts, each of them presumably as patriotic and as unwilling to let the control of this line get into the hands of a person or persons designing to injure it as is the average legislator. It may be said that an absolute majority of stock might not be necessary, as a small compact mass of votes would outweigh a larger number, divided or unrepresented. This is simply to assume that the indifference of stockholders and their absence from corporation meetings observed when roads are well-managed would continue when the whole property is menaced,—which is contrary to experience. We might also show how impossible it is for Vanderbilt to do any harm if he got his hand on the tunnel, but must leave that till another day.

Finally we claim that the dreaded railway magnate might more easily cripple the line, if such is his object, under the State management than if it were held by private owners. Until some new line is built to Lake Ontario he will control the traffic to the tunnel. Of course he will make his own terms, and if the new route excites his jealousy it will have a hard time. Is it supposed that if such is his motive he will not be able either to prevent the construction of the much-hoped-for new road to the lake, or that he will not either outbid the State for a lease of it or force us to pay an exorbitant rate? But granting that everything outside Massachusetts is lovely, he will always have the resource of coming to Boston and trying the purchasability of our General Court. It would take several millions to buy control of a road in private hands; would it take one million to procure favorable legislation? We trust that our legislators will never be tried. But there are the unremovable trustees,—three representing corporations and five the State. Will it be impossible to corrupt a majority of them? Again we trust the opportunity will never be afforded. Examined then in any light this bugbear fails to terrify. We cannot build safes so strong that a burglar cannot get into them; we cannot pass a law so carefully worded that eighty-nine million dollars cannot circumvent it. Why suppose that the New York Central desires to circumvent it? Why conjure up a danger where none exists? And above all, why enter upon a doubtful and dangerous experiment, in no respect wiser than the expedient of the hunted ostrich, to escape this fancied peril?

THE RAILWAY CHRONICLE

BOSTON, SATURDAY, MAY 10, 1873.

HOOSAC TUNNEL.

THE majority of the Committee on R ways have presented a report to the Leg ture, recommending the passage of an for the consolidation of the Fitchburg, Vermont and Massachusetts, the Boston a Lowell, and the Troy and Boston Railro Companies into one Corporation, by name of the Boston and Northwestern R road Company. This report, together w the report of a minority of the committ which in effect recommended that the T nel route should be operated by State Tr tees, was referred to the Finance Comm tee, which has recommended the passage the bill reported by the majority of the R way Committee, with some amendmen which do not affect its general charact The terms of the union are to be mutua agreed upon by the Companies voting enter into the consolidation, within th months after a vote shall be passed by Governor and Council, to consolidate interests of the Commonwealth in the T and Greenfield and the Southern Verm Railroad, with the aforesaid corporatio or with any three of them, which vote of Governor and Council must be within months after the passage of this act. Sho the companies, entering into the union, f within the time named in the act, to ag upon the terms, then three commission shall be appointed by the Supreme Judic Court, who shall fix the terms of the uni

The title and ownership of the Tun and the approaches to it are ' to be remain in the Commonwealth," the tr having been laid, and other work, necess to its completion, having been finished at expense of the Commonwealth, but the B ton and Northwestern Railroad Co. are keep it in repair, and to pay to the Comm wealth an amount not exceeding eleven cent of the amount charged upon all the p sengers, freight, or other property, for tra portation by the company. The cons dated corporation shall also be subject all the duties, restrictions, obligations, de and liabilities, to which, at the time of union, either is subject severally.

The Boston and Lowell Railroad Co. the Troy and Boston Railroad Co. may c sent or refuse to enter into the union, the option is not in the case of either them encumbered with any condition. the case of the Fitchburg Railroad Co. h ever, its neglect or refusal has affixed t a provision, which seems to be of the ture of a penalty, viz: that the new cor ration may either build a new road fr Fitchburg to Boston, thereby greatly dep ciating the value of the old road, or n take so much of its road, property and fr chises as may be necessary or convenien the new company, whether the stockhold of the Fitchburg road consent or not to fact and the conditions of the transfer, whatever may be the effect on the valu

the property remaining to the Fitchburg Co. after the new company shall have taken what it may deem to be convenient to its purposes.

It is understood that the Fitchburg Railroad Co. protests against the last provision as unfair and oppressive, and we think with good reason. The objection made by the said company to the proposed consolidation s that it includes the Troy and Boston Railroad Co.; the grounds of the objection being that thereby, as to a portion of its line, the new company will be under liabilities imposed by the laws of another State, and also especially that, in consequence of the widely different financial position of the companies, a union on any equitable basis would hardly be possible. On this latter point a brief comparison of the financial position of the Fitchburg R. R. Co. and that of the Troy and Boston R. R. Co. will be of interest. From the last report of the Fitchburg R. R. Co. made to the Railroad Commissioners we take the following items: —

Capital stock authorized	$4,000,000 00
" paid in	4,000,000 00
Funded debt	nothing
Floating "	"
Earnings invested	290,874 88
Total amount expended	$4,290.874 88
Expended in construction, equipment, real estate, and other permanent property	$4.240,874 88
Expended in engineering, etc.	50,000 00
	$4,290,874 88

From the last published report of the Troy and Boston R. R. Co. made to the New York Assembly, we extract the following:—

Capital stock authorized	$2,000,000 00
" paid in	1,599,000 00
Funded Debt	1,898,000 00
Floating "	69,268 33
Total amount expended	$3,566,268 33
Expended in construction, equipment, real estate and other permanent property,	1,897,876 02
Expended in engineering, etc.	407.026 93
	$2,304,902 95

From these tables it will be seen that, while the Fitchburg Railroad Co. is entirely free from debt, has its whole capital intact, has declared satisfactory dividends to its stockholders, and from surplus earnings, has invested nearly $300,000 in permanent property (real estate in Boston and Charlestown, which is now worth much more than it cost), the Troy and Boston R. R. Co has sunk the whole amount of the capital which had been paid in and is in debt some $70,000 more than the cost of its property, *i. e.* for the expenditure of its whole paid up capital and nearly $2,000,000 of borrowed money, and more than $400,000 for engineering, etc., it has less than $2,000,000 of assets. The method of its management is illustrated in the item of expenditure, acknowledged by its own officers in their annual report, of $407,000, or more than $11,600 per mile for engineering, against $50,000, or $538 per mile, expended for the same purpose, by the Fitchburg R R. Co.

If the stockholders of the Fitchburg road should receive, in the stock of the new corporation, only the par value of their capital stock, inasmuch as their property is wholly unencumbered, has cost and is really worth, without any consideration of its value as possibly increased by its becoming a part of the tunnel line, more than the $4,000,000 of capital, which was originally invested in it, then it is certainly a clear case that the stockholders of the Troy and Boston road would have no claim for any stock whatever in the new corporation, as their capital, so much of it as has been paid, has been entirely sunk, and their assets, valued even on the basis of the cost of their road, would not be enough to pay even their present debt. If any increase of value is to be allowed on the ground of the new connections of the road, then a proportionate increase should be allowed to the Fitchburg road. On these terms the Troy and Boston Railroad Company would undoubtedly, as we may infer from the testimony of its Vice-President, Mr. Robinson, before the Railway Committee, refuse to unite in the consolidation, a consummation devoutly to be prayed for by the Fitchburg Railroad Company.

It certainly appears, from the above considerations, that there is good reason that the legislature should consider well the claims of the Fitchburg Railroad Company, and at least not take hasty action in the premises. Indeed it seems hardly possible, as we stated in our last issue, that, at this late period of the session, there can be so thorough a discussion of the question, as is demanded not only by the relation of the strongest corporation and the only one, proposed to be included in the consolidation, to the whole matter, but by the interests of the Commonwealth and the business community.

EVENING TRANSCRIPT

WEDNESDAY, MAY 7, 1873.

The Hoosac Tunnel Line Without the Lowell Railroad.

The Hoosac Tunnel question still remains in an unsettled condition in the Legislature. The trouble arises from an unnecessary complication of the subject, resulting from a departure from the plain and simple recommendation of the governor for a consolidation of the tunnel line to the western limit of the State. The Railway Committee, after a long and exhaustive hearing, reported two schemes—that of the majority recommending consolidation with one railroad corporation outside of the tunnel line and two or three others outside of the State. Neither of the reports of the committee is in accordance with the prayer of either petitioner; and of course this adds to the confusion of a settlement of the question. Parties are puzzled to know how to reconcile their differences or make compromises that will be acceptable to the other parties.

Those who are opposed to the consolidation of the Lowell road with the tunnel line deny the forcibleness and truth of the grounds mainly alleged for such consolidation. They claim that the facilities requisite for the transaction of the business of the tunnel line are easily attainable at Charlestown and Boston, or on the Mystic River lands, and will be greatly accommodated by the Union Freight Railroad, already in operation; also that the Fitchburg Passenger Depot may easily be enlarged on their present grounds for the accommodation of a largely increased passenger traffic,—thus in these ways, if not by other means which have been named elsewhere, meeting all the demands of the expected business of the tunnel line.

Besides the argument based upon the fact that the Lowell Railroad is not in the tunnel line, it is known that it has an existing contract with the Northern line for doing the western business, which it must violate and ignore if it goes into the tunnel line to do a similar business; and also that it is largely in debt.

Judge Thomas, in his closing argument for the Vermont & Massachusetts Company against the inclusion of the Lowell road, showed that the debt of the Lowell road was nearly as large as that of the Vermont & Massachusetts and Troy & Boston combined; the former, with twenty-six miles of road, owing $2,388,929—while the two latter, with ninety-six miles of track, owing $2,933,899. And he thought these figures did not show a great difference of strength in favor of the Boston & Lowell Corporation.

In reference to the connection of the Lowell Railroad with the "Great Northern Railroad Company," which failed of consolidation, but which is still in existence under a contract between the parties, General Stark said the Lowell Railroad is "losing money on it," and has already lost large sums on the account of the Ogdensburg road and the steamboats on Lake Ontario, which of course are calculated to increase the indebtedness of the company. In view of the difficulties in the management of this line, and mainly by the refusal of the Concord road to participate in the contracts and bear its proportion of losses, General Stark said in his testimony, we were led to "consider what was the next best thing for us to do." And the conclusion was, as their own line had utterly failed, to go in for the Hoosac Tunnel line and unite with the Fitchburg road, which was, no doubt, a very practicable and very desirable plan to relieve it from embarrassment and loss.

But, however desirable it may be for the Lowell Railroad to effect this consolidation, it is by no means sure that such a policy is the best, either for the city or the State. When Mr. Joy of the Michigan Central Railroad—when asked what his opinion was of the consolidation of the Lowell and Fitchburg railroads—said, "It might be very much for the interest of the corporations to consolidate, but as a general rule two roads aiming at the same business, or at places through which the business from the same section of country passes, ought not to be consolidated in the interests of the public. I can conceive that, in the interests of the corporations, it might be a good thing, possibly." No answer has yet been made to Mr. Joy's propositions, and the evidence remains intact and in full force. "Two parallel roads, aiming at the same business, ought to be kept separate. These roads would not be exactly parallel, but if they aim at the same business, and the object is to control the same business over the two roads, I should think the policy, so far as the public interests are concerned, would be against consolidation."

Still further on, Mr. Joy was asked, with four roads coming into Boston—the Hartford & Erie, Boston & Albany, tunnel route and Lowell & Ogdensburg—"should you think it would be advisable to have any two of these competing routes consolidated?" and he replied "I should not; at the same time they will all consolidate, if they can, every one of them."

Mr. Brooks, well known as the enterprising founder of the Michigan Central Railroad, gave his evidence somewhat to the same effect. He says, "I have felt that when we started the tunnel, the Northern road was in existence, and the Western road on hand, if we got another it would be a third route. But, just as we are getting this third route, comes up the question whether you shall return from the three routes to two routes again. The consolidation between the tunnel road and the Western Railroad, or with the Northern Railroad, will carry you back to the two roads that we had before the tunnel was built. It seems to me that to go back from the three routes that we hoped to get, smacks somewhat of commercial suicide. All the reasons which have been advanced for that consolidation seem to turn upon the question of terminations, upon the question of the right of way to take care of the freight that will come over the road. Now, it would sound queer to us in the West (when I used to be there), to say that Boston reduced her number of routes to the West, because somebody has got a piece of marsh land, because somebody has got control of a certain area which can be used for depot grounds. It seems to me a trifling reason for which to reduce competition between here and the West, to give such an excuse as that. It seems to me to be beneath the great dignity of the question, and I should hope the committee would think the subject of more roads between Boston and the West of too great importance to be decided upon such slight grounds."

It will be seen that there are, besides the general feeling in the business community of Boston, some very decided reasons against the proposed consolidation of the Lowell Railroad, now the head and manager of the Northern line, with the Hoosac Tunnel route. It has been assented to, as a general thing, only on the ground of a supposed necessity; but now that it is admitted that that necessity no longer exists, unless for the safety of the Lowell Railroad, it has become very questionable if the thing ought to be done, in the fear that it may prove an act of "commercial suicide." The easiest, safest, simplest way to settle the whole question, after all that has been said and written, seems to be either for the Commonwealth to assume the management of the whole line, or incorporate itself with the Fitchburg and Vermont & Massashusetts railroads; and if anybody wants to place the Massachusetts railroads, Massachusetts stockholders, and Massachusetts herself, with the tunnel through the mountains, under New York law, and New York legislation, they will be in favor of including in this consolidation the Troy & Boston Railroad Company.

Boston, May 6, 1873.

THE GENERAL COURT.

BOSTON, Thursday, May 8, 1873.

SENATE.

[The senate was not in session.]

HOUSE OF REPRESENTATIVES.

The judiciary committee reported that the bill in addition to an act relating to fire inquests ought not to pass.

BOSTON, HARTFORD AND ERIE RAILROAD.

The committee on railways to which was referred the petition of William T. Hart and others trustees under the Berdell mortgage, for additional legislation concerning the Boston, Hartford and Erie Railroad, reported an act ratifying and confirming the proceedings of the holders of the bonds under the Berdell mortgage and constituting it a body corporate by the name of the New York and New England Railroad Company; the capital stock of the company not to exceed 200,000 shares of $100 each, issued to holders of Berdell mortgage bonds upon surrender thereof to the new corporation at the rate of ten shares for every bond of $1000 surrendered. A large portion of the act referred to the increasing of terminal facilities in Boston, and provided for that purpose the land and flats beginning at the southeast corner of Broad and Congress streets, and running to the south line of Curtis or Winsor's wharf, thence to the commissioners' line, thence to Eastern avenue as projected, and from Eastern avenue to the point of beginning, with the right to construct suitable approaches, provided that the approaches shall not interfere with the present draw in Fort Point channel; also in South Boston, the lands and flats beginning at the corner of B street extended and First street, thence running by B street extended to Eastern avenue, thence westerly to the commissioners' line, thence by a straight line parallel to Mount Washington avenue to the easterly side of A street extended, and thence by A street to First street and to the point of beginning. There is, however, a provision that the said railroad company shall not be authorized to take any part of the land within the limits of a street, but the streets may be crossed by the tracks of the company, and also that no land or flats belonging to the Commonwealth shall be taken under the act, except by purchase, and that nothing in the act shall be construed to limit the powers of the harbor commissioners and the governor and council, or to authorize the corporation to take any land of the Boston and Albany Railroad Company.

THE HOOSAC TUNNEL CONSOLIDATION.

The bill to incorporate the Boston and Northwestern Railroad Company to provide for the operation of the Hoosac tunnel, and for other purposes, was reached in the orders of the day at ten minutes before one o'clock.

Mr. Bailey of Charlestown presented a remonstrance of the Fitchburg Railroad Company against the passage of the bill, setting forth that they have 3323 stockholders, including 931 women and a long list of charitable societies, have constructed their road with economy and have declared no stock dividends. They protest against it on the ground that the bill is coercive on the Fitchburg road alone, and that a consolidation of the line with the Troy and Boston Railroad would bring weakness rather than strength, and would endanger the control of the corporation by New York interests. It is a question whether a union is possible under the laws of New York. The stock of the road has been increased to nearly double its original value by stock dividends. The entire value of its property is nearly equalled by their debts. To consolidate with such a corporation would be cruel to the interests of the stockholders of the Fitchburg road. The document, which was read by the clerk, recites in detail the different points by which the Fitchburg road would be injured by the passage of the bill, but it is willing to lease its line.

Mr. Wellington of Worcester offered a motion to substitute the minority bill for the majority.

At this point an hour's recess was taken, and on reassembling the ten-minute rule was suspended and the whole question was opened for debate.

Mr. Codman of Boston opened the debate in behalf of the bill reported by the majority of the committee. He thought the minority bill dangerous in many respects, and it was evident that it would put a responsibility upon the State which it ought not to incur; it was a good thing only for the Fitchburg Railroad. He explained at length the danger of taking what was in effect a perpetual lease of these roads; and once done the act could not be repealed. It is also proposed to pay the dividends for ever. Who knew but that in fifty years the rate of interest in Massachusetts would be much larger than at present; that in the course of time the railroad would be superseded by something else, and become of no more value than the old turnpikes? If it should so happen, the stockholders of the Fitchburg Railroad would still be sure of their eight per cent. Another point he desired to call to mind, was the fact that the bill provided not only that the dividends should be guaranteed, but that they should be guaranteed free of taxes. The Commonwealth was therefore bound to pay, whether the line earned it or not to the stockholders, their dividend and taxes. The State would have to take all the risks, go into debt to construct and equip its roads, while the Fitchburg road was sure of its eight per cent. But it was a part of the bill that the Commonwealth could get out of that difficulty by buying up the stock. But what would it cost? Did they not suppose that such stock as that of the Fitchburg would be, should the minority bill pass, would be pretty high in the market? Would not the Commonwealth be utterly at a disadvantage in undertaking to make a bargain with the owners? It seemed to him that that plan would be no remedy. If the Commonwealth passed the minority bill, he continued, there would be a whole army of office-holders and perpetual pensioners. The State would be bound hand and foot by them and their pensions. In this connection he desired to speak in reference to the bill that the committee had reported in regard to State ownership. They had thought that the time might come when the State should own the roads. If this was to be done it should be done at the least possible expense, and it was that which was

provided for in certain sections of the majority bill. It made the provision that the State should have the right to make the purchase at the real value of the stock. That provision was a part of the act, and therefore a part of the charter of the consolidated corporations, and would constitute a contract between the State and the corporations. The bill which the minority had reported provided a plan for rearranging the crossings on the north side of Boston. It proposed to allow the Fitchburg Railroad to give up their present station and take any land west of the other stations. If the majority bill passed, the matter would arrange itself; the Eastern and Fitchburg railroads exchanging stations by a mutual agreement. Mr. Codman then referred to the bill which he said was expected to be presented by Mr. Dudley of North Hampton, and thought there would be the same objection to it as to the other bill. There was no consolidation; all the advantages of a line under one management were deliberately given up. The State did not get that advantage of the right to take the line which the majority bill gave. He had never heard why the bill was to be presented, but it probably had some connection with the interests of the Massachusetts Central Railroad, which expects to get to the tunnel, and it wants the State to wait for it. There was no need of that, for the majority bill protected the rights of every railroad completed or to be constructed with reference to the tunnel. He then spoke of the bill presented by the committee on railways. It provided for what the committee believed to be the strongest possible and practicable line that could be established between Boston and the Hudson River. It was composed of five distinct roads which he would consider one by one, and state to the house the reasons which influenced the committee in the duties devolving on the subject of consolidation. There was the Troy and Boston Railroad—and here he referred to the cry of "mad dog" which had been made in the statements that the road was owned by Vanderbilt, and submitted that if the statement was true it was not desirable that the road should longer be left in the hands of a hostile and rival interest. The committee had examined the road and found that it was not such a bad property as had been represented to them. It would be placed at a fair valuation by the supreme court. Nothing need to be said of the Vermont and Massachusetts road. It was for the interest of that road to consolidate, and unlike some corporations it had sense to see it. Coming to Ayer Junction it was very much the same as if there were four tracks from that place to Boston, but they did not run together. The road diverged from Ayer up to Lowell and from Lowell to Salem and Lawrence, and brought those plans into direct communication with the West, and gathered up the business of other towns on the Lowell as well as on the Fitchburg roads, without any interference that was wont to arise between conflicting roads. The committee thought that it was essential for the strength of the corporation to take the Lowell road. The Fitchburg Railroad should also be included, and if it refused, the State by its right of eminent domain should authorize its seizure for the accommodation of the public. The importance of this strong through line is so great that something should be done by this legislature to secure it. No legislature can be in a better condition to settle this matter than the present body, which has heard it so fully and examined it so carefully.

Mr. Granger of Boston took the floor in favor of the minority bill. He defended the sagacious industry, care and intelligent management of the Fitchburg Railroad. The Fitchburg road had honestly spent its money in improving its road-bed, increasing its rolling stock and building elevators. He claimed that the Lowell road, with three millions of debt, was a very unprofitable partner, and he did not think the great terminal facilities of the Lowell Railroad worth anything like the sum that was claimed. He then went on to describe the terminal facilities of the Lowell and the Fitchburg Railroad. He claimed the latter to be far the greater, and illustrated it by a map which had been prepared. He then gave the reasons for the statement that there was danger of the control of the road going to New York. He considered it certain that Vanderbilt would have the road in ten days if the majority bill should pass. He favored the minority bill. Let the State take the whole road. Massachusetts brains and energy have made the road—let them run it. Mr. Granger's speech had evidently been carefully prepared and was well received.

Mr. Dudley of Northampton urged that many other connections might be made if the tunnel was kept in the hands of the State—the Williamstown and Hancock, the Shelburne Falls connection, and the Delaware and Hudson Canal Company might all be accommodated. He thought the action of the majority bill anything but fair; it proposes that the State shall give up the Troy and Greenfield and all the approaches to the tunnel; no other road can get into the tunnel without making terms with this private corporation. This is not right. There is no hope in any arrangement which shall give any corporation the sole control over the tunnel and its approaches.

Mr. Bacon of Lawrence, of the majority of the railway committee, spoke especially to the point of the necessity of a large company to do the business of the tunnel. The bill suggested making the State such a great business corporation. He could see no necessity for that. It was not time at this day to change the purpose of the government that was left by its founders for the protection of the people. No good could result. The State was organized to be a protecting medium. It never was organized for any such thing as they would enjoin upon it. Nothing but ruin could possibly result from the increased power of corporations in the management of State affairs. It was suggested that State ownership would give cheaper rates of fare to the people, and thus be beneficial. He did not consider that in the range of possibility. A less sum of money might be paid by the person carried, but if less than a fair sum was charged, the remainder would have to be made up by taxation. That was inevitable. Whatever business was done must be paid for by the person for whom it was done, or by taxation. There was still another reason. Every owner of stock in any railroad had got to suffer by the force of an unnatural competition created by legislation, and every single share of stock in other roads is forced below the proper standard; and while the loss in one is made up by taxation, the other roads have no such support. He thought the trial would be a most dangerous experiment, and if tried would also be a most expensive one.

THE LEGISLATURE.

REPORTED FOR THE BOSTON GLOBE.

BOSTON, Friday, May 9.

HOOSAC TUNNEL CONSOLIDATION.

The bill to incorporate the Boston and Northwestern Railroad Company to provide for the operation of the Hoosac tunnel, and for other purposes, was reached at ten minutes before twelve, and Mr. Vinal of Somerville took the floor, and said the majority bill contemplated the severing of a portion of the Troy and Greenfield railroad from the tunnel, and he thought it would be a suicidal policy to part with any portion of the road. Mr. Vinal then argued that the Lowell road would be an element of weakness in the consolidated line and would take a large share of the profits for its own aggrandizement. He then quoted from the testimony of Gen. Stark before the committee relative to the equipment of the Lowell road. If this road was taken in the interest on the consolidated capital this side of the tunnel at 7 per cent. would be $1,400,000. This was based on nine millions for the Lowell, seven millions for the Fitchburg and four millions for the Vermont and Massachusetts. The total capital on which the interest would have to be paid to Troy would be twenty-four millions. He then spoke at length of the amount of road and other facilities which the nine millions capital of the Lowell road represented, and referred to some of the advantages which the Boston and Albany road possessed, which it would take the tunnel line years to gain. The majority of the committee ignore this Cheshire road, which has a better chance to do the northern business than the Lowell road itself. If any road was to be taken in, the Lowell should be abandoned and the Cheshire taken in. The reports of the Lowell road to their stockholders were meagre, and the last one was a confession of weakness. It was linked in with thirty-nine other roads.

AFTERNOON SESSION.

Mr. Fairbanks of Fall River resumed the discussion of the Hoosac tunnel matter, after an hour had been spent in several minor matters. He stated that his best attention had been given to the matter under discussion, and in his opinion the advantages possessed by the Lowell road for handling Western freight were vastly superior to those owned or obtainable by any other corporation. He did not think that the Northern route would be destroyed by the withdrawal of the Lowell road, as it would be equally desirable as a connection for the Boston and Maine road. The practical advantages gained by adding the Lowell road to the consolidation could hardly be over-estimated. He then discussed the minority report, and said he did not believe the voters of the State would sanction the investment of five millions more in the tunnel line by the State, and the minority plan cannot be carried upon a better showing than this. He did not believe that the Albany road made one per cent. upon its through business, the gain being made by its local trade. The State guarantees the dividends forever under the minority plan, and this was rather a long time, in his opinion, considering the circumstances of the case. The local traffic on the tunnel line was not great, and, as the through business could not be done less than the Albany road, he could not see where the State would get its income to pay the dividends. The interests to be consulted and united were many, and the difficulty of successfully harmonizing them should not be over-estimated. One of these interests was that of the Southern Vermont road, perpetually leased to the Troy and Boston road, and the latter road must be conciliated, so that the Southern Vermont road can be used, as there is no other feasible route west from the tunnel. He thought that the Troy and Boston road had been honestly represented before the committee, and that their propositions toward consolidation were perfectly fair. He then discussed the general principles of railroad consolidation, and claimed that economical results in their management could be got at in no other way. He thought that the State could better afford to let the tunnel be a free way than by establishing a heavy toll to drive away the business which will naturally flow toward it. In closing he urged action upon the matter this session, and pressed especially the necessity of securing the Boston and Troy road, and with it the accompanying control of the Southern Vermont road, and as the road would not lease it the road must be bought.

Mr. Barker of Fitchfield, of the committee, but who has not signed either of the reports presented, then obtained the floor. The question, in his opinion, was what should be done to develop the tunnel line. He then referred to the two plans proposed by the committee, and reviewed each at length, speaking of the minority report as proposing a grave experiment, which should not be undertaken hastily. The property of the State and its politics would be involved in it. He did not believe that the State had yet come to that point when it was obliged or justified to engage in State railroad ownership, and in his opinion the popular will was opposed to any such plan. His vote would be given for the majority instead of the minority bill at the present stage, and after, by passing to a third reading that bill, the policy of the State would be decided, and afterwards the details of the plan could be arranged. He then referred to the two classes of trade—local and through—of all roads, and thought that a conflict between the two interests would constantly arise if the State held the control of the line. The same conflict would arise between those living on the line and those at either end, and shipping over it, in case of State ownership. He did not understand the style of corporation proposed by the minority bill, and, in a review of the provisions of the bill, he found that the Legislature lost control of the corporation, after having created it. He then considered the substitute proposed to be offered by Mr. Dudley of Northampton, and failed to find in it any guarantee for its efficiency. At this point Mr. Dudley of Northampton asked leave to explain certain points in his bill, and claimed that its intention was merely to keep hands off from the tunnel. Mr. Barker then resumed and moved the amendment of the minority bill by substituting the bill offered by Mr. Dudley. The intent of the State was not to build the Troy and Greenfield road and the other tunnel road, but to get back the money invested in it. The intention of past legislation had not been to get the State interested in the railroad business. He then considered the objection to the sale of the tunnel and proceeded to argue that the immediate sale of the tunnel was for the best interest of the public. In his opinion it was absurd to say that it would be closed by any monopoly which should secure it. The laws of the State in relation to connecting roads were sufficient to prevent any onerous rates being imposed by any corporation which should obtain the control of the tunnel. He then instanced, as parallel case, the twenty-mile section of the Albany road on both sides of the mountain. He then referred to the action of the Delaware and Hudson Canal Corporation, and spoke of the utter futility of any attempt of that corporation to shut up the tunnel should it obtain control of it. While the tunnel had been very expensive, it was in no other way different as regards the laws to any other section of any other road. He then referred to the policy of the majority bill toward the Troy and Boston road, and spoke of the action of certain parties in forcing their views of that road upon the House, either by papers read from the Speaker's desk or by editorials in papers published for circulation at the State House exclusively. He then rehearsed the objections brought by the Fitchburg road against joining with the Troy and Boston road.

Mr. Barker stated just before closing that when the Troy and Boston road proposed buying the tunnel at $4,000,000, another road, this side the mountain, had said to the directors, wait, and in time we will get the tunnel for nothing. Mr. Codman inquired if that advice was by the Lowell road, to which Mr. Barker replied that it was not. Mr. Bailey of Charlestown inquired if the statement made by Mr. Barker was a public one, and Mr. Barker replied that although he had never seen it in a public document he made it as a public statement now. At the close of the remarks of Mr. Barker the further consideration of the subject was postponed until Tuesday next.

THE BOSTON AND NORTHWESTERN RAILROAD.

The discussion of the Boston and northwestern Railroad bill was continued. Mr. Fairbanks of Fall River opened the debate. In this matter, he said, the Fitchburg road had been too sharp for its own interests, too sharp for the interests of the Commonwealth. The influence and the interest of the Fitchburg road has always been to build up the Vermont and Massachusetts, the Cheshire, and the Troy and Greenfield roads. The business of these roads flows over the Fitchburg road, and has made that road prosperous while they have made nothing. The Fitchburg road owes its present prosperity to these roads, and now it selfishly wishes to leave these roads to shift for themselves. The minority seems to be designed simply to protect the interests of the Fitchburg road. It guarantees the Fitchburg its 8 per cent. dividend, and leaves to the State the *chance* of getting one per cent. out of the rest. It is not wise for us to treat the Troy and Boston, the first company that comes to meet us on the other side of the tunnel, having spent its millions, trusting in the good faith of the Commonwealth, putting more money into the State treasury than its stockholders have received,—it is not wise to treat this road unjustly, dishonorably. There has been no argument as to how we can get a new route to Albany, but how we can get a new route from Eagle Bridge on the Troy and Boston to Lake Ontario. It is a poor beginning for this State to make in laying out the tunnel line to repudiate the promises made to the Troy and Boston. He would not legislate for the special benefit of the Troy and Boston; for the special benefit of any road; for the Commonwealth; for the Vermont and Massachusetts or for the Fitchburg road, therefore he would not advocate a bill that guarantees the Fitchburg road eight per cent. while it gives the Vermont and Massachusetts but four per cent. He didn't blame the Fitchburg road for trying to get that bargain, but it was not for the interests of the State.

During his speech, Mr. Fairbanks was continually interrupted by Mr. Bailey of Charlestown.

Mr. Codman of Boston proposed to review the bill. The Lowell road is put into the line on the principle that the public convenience and necessity require it.

Mr. Bailey of Charlestown desired to ask the gentleman a question.

Mr. Codman declined to yeild the floor.

Mr. Bailey persisted and was quickly called to order.

Mr. Codman stated that though he had interrupted the gentleman from Charlestown, as that gentleman had previously interrupted him, he now declined to yield him the floor, since that gentleman had before this house impugned the motives of the members of the railway committee, and charged them with withholding important facts when they made their report. He then went on to speak of the proposition to end the line at Albany. This would simply make the line a tributary of the New York Central, when the intention has always been to give a competing line through to the West. This could only be done by using the Troy and Boston road and building a road from Eagle Bridge to the lakes. Something has been said about Vanderbilt and New York capital, but if Albany be the objective point he knew no other way by which the line could more easily be placed at the mercy of such capital. The first section of the bill provides for the consolidation of the several roads. No consolidation can be brought about without the consent of the governor and council. The State puts into the line, not the tunnel, but the Troy and Greenfield road. The Troy and Boston road is to be put into the line like all the other roads, on such terms as may be determined by the commissioners appointed by the governor and council. If the road is worth nothing it will come in for nothing; if it is worth something it will come in for what it is worth. The value of the tunnel is not now known and it may not be known for some years, therefore we do not propose to sell it now. He was in favor of the amendment fixing the rate of compensation for the use of the tunnel at six per cent.; the governor and council having the right to abate from this amount, but not to increase it. He thought the rights of connecting roads fully protected by general laws. How are your two corporations to get together as long as the State holds the tunnel? The committee was satisfied that the tunnel could only be managed by one corporation. Mr. Codman continued, taking up the bill section by section and urging the reasons for its provisions. He read a statement showing the number of crossings at grade which would be saved by the change proposed by the committee. Then, too, the Lowell road ought for every reason to be put into the line. It belongs there. Through traffic will build up and increase local traffic. Mr. Codman here read

a statement that the Vermont and Massachusetts would not consent to lease their road under the minority bill [nor will the Troy and Boston].

Mr. Ladd of Springfield said there were four ways to dispose of the tunnel: we can give it away, we can sell it, we can give it up to a corporation to manage, or we can run it ourselves. Boston needs cheap transportation. The State is retrograding in agriculture, the fisheries are failing. As a manufacturing State we are to thrive or fall. Boston should be the market of the State; it is not. The manufactures of the State go to New York. Mr. Ladd then gave many facts to show the commerce and trade of the city has suffered through the discrimination of the trunk lines of travel against this city and in favor of New York. He related several incidents showing how the Albany road has injured the trade of the city; how Springfield men have lost money by attempting to get goods direct; how freight can be sent cheaper through New York than directly to Albany, and how cars were sent from Springfield to Worcester and then back through Springfield. Chicago merchants would import direct through Boston, if cheap freights could be got by a direct line. There is merchandise all the time waiting at Detroit and Chicago for an opportunity to come east. Figures were then given to show the vast increase in the western business. Mr. Ladd then began in opposition to the majority bill. It proposes first to destroy the only competing line with the Boston and Albany Railroad; in short, to commit commercial suicide. It would be disastrous in the extreme to attempt to destroy the great northern line. He scouted the idea of there being any necessity for the Lowell road coming into to the line, and then took up the defence of the principle of State ownership. It was not a bugbear to him as to many others. We have been in the real estate business for years, and we have been stockholders in the Boston and Albany for years. It is our duty to take charge of this road and run it in the interests of the people. He did not think there was any danger that it would become a political machine, and instanced the election of State directors of the Boston and Albany Railroad. He did not think it would go into political caucuses. These men were to be chosen by the governor and council. The railroads fear that the State will take hold of this road and so manage that it will become popular and their own existence as corporations will be in danger. The railroad lobby is the largest, the ablest and the most impudent of any in the State house; they even attempt to control the appointment of committees. He spoke of the constant and terribly increasing power of corporations, and called attention to the article on this subject in yesterday's Daily Advertiser. This railroad will pay, there can be no doubt of it. He gave figures showing how the profit might be calculated, and then went to prove the right of the State to take the roads in the line *wille nille*. The Fitchburg road was created by this legislature, and the creature is not greater than the creator. As to the Troy and Boston he thought that it would not be so blind to its interests as not to accept an offer which would give it more than it could make for itself. He closed with a brief review of the inception of the tunnel project and another word in behalf of State control.

THE BOSTON AND NORTHWESTERN RAILROAD.

Mr. Winslow of Newton moved that the time for voting on the bill incorporating the Boston and Northwestern Railroad be specially assigned to next Thursday afternoon at half-past three o'clock.

Mr. Codman of Boston hoped that the motion would not prevail, for if the time was assigned for any special time many members would absent themselves until that time, when they should be present during the debate and obtain all information on the subject they could.

Mr. Steadman of Boston indorsed Mr. Codman's remarks, and thought that the adoption of the motion made by the gentleman from Newton tended to choke off debate.

Mr. Winslow withdrew his motion.

Mr. Bailey of Charlestown reported the bill of the minority. He thought it the duty of the legislature to provide a strong route which would bring as cheaply and at profitable rates through from the West. But the bill of the majority proposes to destroy the franchise of the Fitchburg Railroad. The minority bill does not compel any consolidation, but he had every reason to believe that both the Fitchburg and the Troy and Boston railroads would voluntarily come into the line. But the majority bill compels the poor, inoffensive Fitchburg Railroad Company to come into the line at a great sacrifice of its own interests. It robs the Fitchburg of its terminal facilities and gives it in exchange the cramped facilities of the Eastern Railroad. The Fitchburg did wish to consolidate with the Lowell with the privilege of leasing or purchasing these other roads, but this bill compels the consolidation with those roads. It is like the difference between compelling a man to go into partnership with a drunken, miserable fellow [Troy and Boston], or giving him the privilege of buying out his business. Mr. Bailey contrasted the financial condition of the line under State ownership and under the majority bill to the advantage of the former. There is a road chartered to run from Albany to the tunnel by a route six miles shorter than the Troy and Boston. The road could be built for $40,000 a mile and the whole line for two millions. Mr. Bailey was frequently interrupted by members all over the house, and the debate became quite excited. Mr. Bailey then took up the charge of backsliding brought against Mr. Alvah Crocker by Mr. Barker. He quoted from Mr. Crocker's speech to show that he had argued solely to have the State go on and complete its part of the Troy and Greenfield. In reviewing his remarks he said that the whole line could be acquired for twelve millions and a half, and he went on to urge the saving in the cost of management. He thought $170,000 could be saved per annum. The speech was closed with a further review of the safety, economy and great advantages of State management. It was about two and a half hours in delivery, including interruptions.

Mr. Hoyt of Athol made a general argument against State ownership, criticising Mr. Adams's speech and quoting from Mr. Spofford's argument on the other side. He condemned the selfish course of the Fitchburg Railroad in such a way as to bring Mr. Bailey to his feet. He defended the Vermont and Massachusetts Railroad and left the rest of his speech to be concluded tomorrow.

BOSTON AND NORTHWESTERN.

The bill to incorporate the Boston and Northwestern Railroad Company to provide for the operation of the Hoosac Tunnel, and for other purposes, was taken up.

Mr Hoyt, of Athol, resumed the floor and continued his argument in favor of the majority bill. He first referred to a statement made by one of the Boston papers that he expressed himself in favor of taking the control of the Tunnel from the State, which, he said, was a gross mistake, as nothing was farther from his purpose. He claimed that the Fitchburg road should be made a part of the consolidated line, and if they continue to act their present dog-in-the-manger policy, it is our duty as it is our right to compel them to go into the line, and if they will not then let the State take the road and convey it to this new corporation, paying them a suitable compensation therefor. In conclusion he appealed to the Legislature not to permit this great railroad enterprise to be given over to State ownership,—by it competition will be destroyed, and there will be imposed upon us an influence that has ever been of the most corrupt and baleful character.

Mr. Fitzgerald, of Boston, said it seemed to him that one great question had been lost sight of. To his mind it was not what the Fitchburg railroad wanted, what the Vermont and Massachusetts road desired, or what the Troy and Boston road thought of it, but what was the best for the interests of the State. We are not sent here to look after the interests of these various railroad corporations, who he had no doubt had acted in bad faith each to the other, but it was our duty to look after the interests of the Commonwealth. He had no doubt the Railway Committee had performed their duty faithfully, and he had listened with earnest attention to the arguments thus far made, but he had failed to see the great bugbear of State ownership. We all know the State of Massachusetts is already, and has for years been in the railroad business, and that they are now about to bring to completion the most gigantic piece of railroad work on this continent. The majority bill recognizes the principle of State ownership to a certain extent, though not carried so far as that embodied in the minority. If the State is to go into the business, why not do so to a sufficient extent to get the greatest benefit therefrom. He believed this line was to be a paying line, and it was the first duty of the State to endeavor to get some return for the money they have put into this great enterprise, and for that among other reasons he was willing to try the experiment of State management.

Mr Palmer, of Boston, spoke in behalf of the majority bill. He claimed that State management of railroads was so much of an experiment and one of such doubtful expediency, that he could not give his assent to the scheme as found in the bill reported by the minority of the Committee.

Without concluding, Mr Palmer gave way for the noon recess.

AFTERNOON SESSION.

The House reassembled at 2 o'clock.

Mr Palmer resumed his speech. He claimed that the minority bill does not sufficiently take in hand its own pet scheme of State ownership. It may lease the Fitchburg road, it may lease the Vermont and Massachusetts road, it may lease the Troy and Boston road, but if they will not consent to that arrangement you have nothing to stand on. Pass this bill and go home, and you have no through line organized. And he was well informed, as doubtless others were, that one of these roads, at least, absolutely refuses to have anything to do with this leasing, and without the Troy and Boston road what becomes of our through line? To his mind, the majority bill provides for a sound and thorough consolidation of these lines, one that promised to be honest and effective, and therefore one that would redound to the interests of the whole Commonwealth. Mr Palmer referred to the long speech of Mr Bailey, and said that while he must admit that it was an ingenious attempt to tear somebody to pieces, he failed to see any reasons for refusing the majority bill. The gentleman from Charlestown spoke of that bill as a piece of highway robbery, and he asked how he made it out. As he read the bill it was left optional with these roads to consolidate, but if they could not agree, then a commission shall be appointed by the Supreme Court to settle the terms. Could anything be fairer than that? Mr Palmer then referred to the fact that the minority estimate that it will take $5,000,000 to put the line in order under State management, but read from the testimony of President Stearns, of the Fitchburg Road, before the Committee, that in his opinion it would cost the State double that amount. Mr Palmer closed by refuting some of the arguments adduced against taking the Lowell road into the line, considering that that corporation was one of the strongest features of the bill.

Mr Judd, of Lee, advocated the minority bill because he believed the interests of the State would be best protected by its passage.

Mr Marden, of Lowell, said he had struggled to see his way clear on this question—he had read Mr Adams's argument on State management very attentively, in the hope that he might find something that would remove his natural prejudice against State management, but he must confess he had been unable to find it. He was unable to find out just what the Fitchburg road wanted. To-day they may be in favor of consolidating with the Lowell road, but to-morrow they might be in favor of the minority bill, and there was no knowing where they would be the next day. He had a great deal of feeling for the orphans, who are represented as being the holders of much of the stock of the Fitchburg road. By the bills before the House, eight per cent. is guaranteed upon its stock, and if the road was put into the Tunnel line at a valuation of seven or eight millions, he thought that was doing pretty well for the stockholders. Now, as a citizen of Lowell, he wished the Lowell road to be a part of the Tunnel line because their interests were largely with the West, and it was important that they should be on the trunk line. The opponents of the majority bill tell us that this consolidation will break up the great Northern line. There is no such line. The State of Massachusetts said there might be, but the State of New Hampshire said there should not, and there is not.

Mr Ladd, of Sturbridge, advocated the minority bill.

Mr Hulbert, of Sudbury, moved to take the vote on the bill to-morrow at half-past 3 o'clock. Lost.

The further consideration of the bill was postponed until to-morrow, and placed first in the orders of the day. Adjourned.

[illegible] in a new light.

THE TUNNEL LINE.

The consideration of the tunnel question began by Mr. Hoyt of Athol moving to rescind the vote by which the debate was closed at half-past two o'clock yesterday. He then gave notice that he should move as a substitute for the bill now before the house, a bill similar to the one introduced by him at the beginning of the session, providing for the consolidation of the Fitchburg, the Vermont and Massachusetts, and the Troy and Boston roads, only guarding the rights of the State in the tunnel more securely. The bill is substantially the same as the majority bill with the Lowell road left out.

Mr. Bailey of Charlestown said that after the bill had been ordered to a third reading the gentleman could offer his substitute.

Mr. Hoyt said that that would be satisfactory, and withdrew his motion to rescind.

Mr. Bailey then moved to reconsider the vote for the calling of the yeas and nays on the question of ordering the bill to a third reading.

The motion prevailed, but the yeas and nays were subsequently ordered, and the bill was ordered to a third reading by a vote of 104 to 70.

Mr. Hoyt then offered his bill as a substitute. The bill was ordered to be printed.

In the afternoon Mr. White of Plymouth gave notice that he would move as a substitute the bill presented before the railway committee at the hearing to incorporate the Atlantic and Ontario Railway Trust Company.

The Hoosac Tunnel Consolidation. The bill to incorporate the Boston and Northwestern Railroad Company to provide for the operation of the Hoosac Tunnel, and for other purposes, was reached at twenty five minutes past two o'clock, and Mr. CHISHOLM of New Bedford continued his remarks which were interrupted by the adjournment on Saturday. Continuing his remarks relative to the terminal facilities, he was several times interrupted by Mr. GRANGER of Boston. He claimed that the terminal facilities of the Lowell road were necessary to the consolidated corporation, and in any event they could be obtained more readily. He also contended that the Troy and Boston road was a necessity, as it would be next to an utter impossibility to construct another line to connect with the West, and he answered the several objections that had been made to, including the Troy and Boston Company in the consolidation. He also compared the two bills section by section, in order to show that the majority bill was the most desirable and was not "a scheme hatched in iniquity."

Mr. NOWELL of Boston opposed the majority bill and said that consolidation had never proved beneficial, and at least the Committee had given no sufficient reason for the consolidation. Who ever heard of consolidating parallel lines to cheapen freights. In the early days of the Boston and Albany road it did not have business enough to pay, latterly they pay large dividends. If the State had taken that road and managed it as economically as it had been managed, the dividends would have paid for the entire road to-day. The bill proposed to go outside of the proper line and take in the Boston and Lowell road. He understood $200,000 had been spent in the Legislature to secure the consolidation of this road, because they had got more property on their hands than they could use without consolidation. It would take more than $500,000 receipts of freight to pay interest at seven per cent. on the Boston and Lowell depot alone. He had some doubts about State ownership, but they were nearly all gone. The State had run bridges to advantage, and why not a railroad? The State had a large interest in this enterprise, and he would hold on to it fast. He believed the people of the State were able to control the interests of this road when they should see fit to do so. He should vote to substitute the minority bill for the majority.

Mr. BOWKER of Boston read from the preamble to the constitution, and drew therefrom a dubious argument for State ownership, and then propounded the query whether we were going ahead or backward. He believed the people were capable of governing themselves. He was willing to tear down the railroads and let trade and commerce go free. He thought terminal facilities could be found on the other side of the city, and they could get to deep waters on land owned by the State, and there were parties ready to build the depots and take their pay in land. The distance by the Massachusetts Central road to the State line was two miles less than by the other route. To-day the State was at the mercy of railroad corporations. He wouldn't give a good sized balloon for the Tunnel after a corporation had made one advance on it.

Mr. SPRAGUE of Framingham opposed the minority bill, and said he should vote for the majority bill if it was properly amended. He would under no circumstances give up the control of the Tunnel.

Adjourned until 11 A. M. Tuesday.

Hoosac Tunnel Consolidation. The bill to incorporate the Boston and Northwestern Railroad Company provide for the operation of the Hoosac Tunnel and r other purposes, was reached at a quarter past eleven clock, and Mr. SOULE of Springfield took the floor, id commenced with compliment to Mr. Ladd, his olleague, for his able speech for the minority bill, ough he did not entirely agree with his views. The gument did not convince him as to the propriety of cluding the Lowell Railroad in any proposed consoli- ation. On the contrary there were many arguments gainst, and it would result in more harm to the ople than good could possibly accrue. The very fact at it was a competing road with the Fitchburg for cal traffic was a sufficient argument against such a onsolidation; for under the present circumstances the eight was reduced to the lowest possible point. The reat question, however, was whether the State should sume the duty, responsibility and power of running a ilroad. Gentlemen say the State can do it better id cheaper and make money by the operation, but ere were many things which it undoubtedly could do ell and cheaply which it does not undertake to do. e did not think, however, that government was or- anized for this purpose, and there were only two asses of business in which it should engage. First, at which was necessary for the maintenance of a gov- rnment as a government; second, that which is essen- al to the welfare of the people and cannot be done by ublic enterprise. Therefore there was no propriety hatever in the State's undertaking to manage a rail- ad, for it came within neither of those branches of nterprise in which a State may engage. Managing ilroads could be done by private enterprise. It was id, however, that it was not well done, that it tended corruption and monopoly, but much of the argument this direction for the minority bill was based not on ot but upon prejudice. There was no business in hich at some time from some cause some people suf- r injustice and follow out the reasoning of the minor- y. The State would have to take all kinds of business to its hands. The people had become industrious nd prosperous because they had been untrammelled y legislative interference and been given a free field r competition. Thus they had an incentive to effort hich would not otherwise exist. Even if it were not ontrary to the genius of our institutions what reasons ere there for the State to enter this business? It must e because it can benefit the people or that the State has ch a stake in the road that it must take it into its wn hands for the safety of its financial interests there- . There was no monopoly of this business; it was in e hands of different corporations. There was such a ariety of routes to the West that merchants could not ll which route their goods would take, and it was not robable that the new route would make much differ- nce in the cost of freights. The business was done by aking a through rate for through business, and it ould be done in no other way. It was done in large uantities, car loads being the units on which the busi- ess is done. There are a half dozen roads that make ates from Chicago to Boston, and the least variation of ates determined whether goods come by one route or he other. If there were ten routes open from Boston to roy to-morrow it would not make a penny in the dif- rence in the cost of freight from Chicago to Boston, r the freight was controlled by the roads beyond the rie and the New York Central. They are all connected, ound together by interest as well as necessity.

The laws of business and trade are such that it was tterly impossible at either end of the route to attempt control or affect the rate at which goods should be rought, hence it was a false and erroneous impression hat if the State would go into this it would cheapen reights. It could do no more than any individual ould do because it must be governed by the same busi- ess laws. It was said the State must go into it to save self; this idea too was based on an erroneous suppo- ition. It could not be put in a condition to compete ith the Boston and Albany road for less than twelve illions of dollars additional cost. In order that this ould be a paying operation for the State there must e an income from it.

The gross earnings of the Fitchburg, Vermont and assachusetts and the Troy and Boston road last year as $2,424,000. Adding $500,000 for the probable busi- ess of the Troy and Boston road and an amount equal o the through business of the Boston and Albany road, 2,000,000 for the amount of through business that ould come over this line, would make something like ve millions in all. Allowing that the gross earnings ould amount to 25 per cent. of this amount, and al- owing the dividends of the several roads by the pro- isions of the minority bill, which would amount to bout one million per annum, and the State would de- ive a net income from the whole investment of $244,- 55.

Mr. BAILEY of Charlestown—"Will the gentleman llow me to correct a misstatement."

Mr. SOULE—"I am not aware that I have made any isstatement."

Mr. BAILEY—"I will show the gentleman that he as made one, if he will give me the opportunity."

Mr. SOULE—"I am not of the opinion that this de- ate should degenerate into a mere dialogue between he members of this House—a duel of words. The entleman will have ample opportunity to reply after I ave done." He then resumed his argument, and gave arther figures and facts from the business of the Bos- on and Albany road to show that its local business did ot pay, but that the local consumers on the line were harged a larger rate, which made up the profit of the oad. Therefore he could not see that the State, neither or the purpose of cheapening freights for the benefit f the people or for the purpose of putting money in its wn treasury could afford to go into the business. ime was when expenses of roads were more than their ross receipts; now they were run for about seventy- ive per cent. of their gross earnings, and the time ight come when under this perpetual guarantee of ividends the State would have to pay double what it eceived. The State was only the mortgagee of the roy and Greenfield Railroad and the Hoosac Tunnel; t did not own it. There was still a right of redemp- ion which would exist ten years after the completion f the Tunnel. If a great business was likely to ollow it might be a possibility that the original com- any should return to its right of ownership. This act alone should be enough to defeat the minority ill. He objected to some features of the minority ill. He believed the line should be operated by ne management, at least to the State Line. He had een amused at the inconsistencies in the argu- ents offered against the majority bill and in avor of the minority bill. The law of eminent omain extended to the property of corpora- ions as well as to that of individuals. This ower fairly used, was precisely the same in either ase. This would never be exercised by the Common- ealth as a subterfuge; no public good could be thus erved. If the change was simply a specious one of the roperty, a mere change of name, taking the property rom one corporation and giving it to another to do he same business, would not be such an exercise of the ight of eminent domain as the courts would justify.

Mr. HAYES of Boston urged deliberate action on a question so important in all its bearings, and it would be better to take no action than pass any ill-advised measure. Each corporation was anxious to do something to help themselves. He had but little interest in the Fitchburg road and thought they deserved some punishment for their attempt to unite with the Lowell road, but at the same time he would not be unjust to them. He could not see how it would be of any advantage for the public to consolidate the Fitchburg and the Lowell road. It was said that the Boston and Lowell Railroad established the Northern line, but it was established nineteen years ago in his own office, and he gave a historical sketch of its formation and growth.

The House then took a recess until two o'clock.

AFTERNOON SESSION.

The House reassembled at two o'clock, and Mr. CUSHING of Hingham offered a motion to amend the tenth section of the majority bill so as to provide that nine of the thirteen directors shall be appointed by the State, three for one year, three for two years and three for three years, the remaining four directors to be chosen by the consolidated corporation.

Mr. HAYES of Boston then resumed his argument strongly opposing the consolidation with the Lowell road, and arguing that the Boston and Maine Railroad could not do the business of the Northern line, as had been suggested by Gen. Stark. He also argued the continuance of competing lines of railroad for the benefit of the people. His remarks were interrupted by the Speaker's gavel at half-past two, the time for which the vote had been assigned.

Mr. CODMAN moved that the time be postponed for one hour, in order to give the Committee on Finance time to explain the amendments they proposed.

A motion to give Mr. Phillips of Salem, the Chairman of that committee, twenty minutes to close the debate was carried by a vote of 119 to 58, a two-thirds vote being necessary to suspend the rules.

Mr. PHILLIPS then reviewed the competing lines from the West to the East, from the Gulf of Mexico to the lakes, and claimed that no act of the Legislature could regulate in the slightest degree the rates of freight from the West, but only the rates from Albany. He then reviewed the several bills presented, saying that it would be a dead railroad under the bill proposed by Mr. DUDLEY of Northampton. The minority bill did not propose State ownership, but proposed the leasing of certain roads, and rely on a great business to meet the expense. But unless they connected with some roads beyond the State line it would be of no effect. They proposed a lease of certain roads on indefinite terms. He considered that the expenditure proposed by the minority bill would be thrown away. The whole amount received by the great Northern route, which it was argued should be retained by a competing line, was only $50,000. The amendments recommended by the Committee on Finance and the verbal amendments proposed by Mr. CODMAN of Boston to the majority bill were adopted. The amendment offered by Mr. CUSHING of Hingham which provides that nine of the thirteen directors should be appointed by the State was adopted by a vote of 115 to 75. Mr. BARKER of Pittsfield withdrew the bill which was proposed by Mr. DUDLEY of Northampton.

The question then recurred on the substitution of the minority bill for the bill reported by the majority of the Committee, and on motion of Mr. CODMAN of Boston the yeas and nays were ordered, with the following result:

Yeas—Messrs. Aldrich, Bagg, Andrew J. Bailey, Nahum Bailey, Jr., Baker, Bardwell, Belding, Bement, Berry, Edward L. Bigelow, John Bigelow, Billings, Black, Blankinship, Bonney, Bowker, Britton, Moses L. Buck, Wm. H. Buck, Burnett, Burt, Carpenter, Chamberlain, Chapin, Abe C. Clark, Francis W. Clark, Cooney, Cook, Crittenden, Crocker, Cross Cummings, Currier, Darby, Geo. E. Davis, Joshua W. Davis, Wm. Dean, Derby, Dewey, Dudley, Edwards, Evans, C. C. Field, Harrison O. Field, Fisher, Fitz, John E. Fitzgerald, D. C. Fletcher, J. W. Fletcher, Gardner, Gleason, Asa H. Goddard, Stephen D. Goddard, Gove, Granger, Hanson, Hardy, Harlow, Hawley, Hatch, Francis B. Hayes, Haynes, Hildreth, Hollis, L. Holmes, Howes, Hull, Hunt, Hurlbut, Hutchinson, Ide, Jenkins, Judd, Kentfield, Chas. R. Ladd, Noah D. Ladd, Lewis, Marion, Mason, Mayhew, McCleave, Moore, Morgan, Asa P. Morse, C. D. Morse, Norton, Nowell, Noyes, Osborn, Hiram Packard, John B. Parker, Perley, Phelps, Plunkett, Purrington, Roberts, Robinson, Ryder, Edward Sanford, Geo. J. Sanger, Geo. P. Sanger, Saunders, Sawyer, Scott, Sears, James B. Shaw, John Shaw, Shumway, Skinner, Joshua B. Smith, Snow, Sparks, Stedman, Stetson, Studley, Sweet, Talbot, Titus, Vinal, Walker, Wallace, Waters, Wellington, J. L. White, T. S. White, Whitman, Whitney, Wiley, E. D. Winslow, Samuel Winslow, Wolcott, Woodbury, Woods—133.

Nays—Messrs. Francis R. Allen, Walter B. Allen, Atherton, Bacon, Barker, Bartholmesz, Batchelder, Benton, Berdge, Blake, Blunt, Bonner, Bradley, Bread, Briggs, Brownell, Chisholm, Geo. W. Clark, Cutur, Codman, Cogswell, Copeland, Couch, Creesy, Cronin, Cushing, Geo. J. Dean, Dyer, Fairbanks, I. F. Fitzgerald, Foss, Frost, Gates, Gilbert, Griffin, Hall, Hammond, Hayden B. F. Hayes, B. Heath, Samuel W. Heath, Higgins, Henry B. Hill, Charles J. Holmes, Hopkins, Howard, Hoyt, Humphrey, Ingalls, Johnson, Keith, Kendrick, Knight, Lancaster, Loughlin, Marden, Morrill, L. D. Packard, Palmer, W. C. Parker, Jr. Patch, Pierce, Perkins, C. T. Phillips, W. P. Phillips, Francis E. Porter, Rodolphus Porter, Read, Regan, Salmon, Sampson, Sargent, Sawtelle, Scannell, R. Seaver, Shattuck, James Smith, Soule, Splaine, Sprague, Stacey, Stewart, Wm. B. Stone, Tarr, Wm. Taylor, Toland, Watson, Whitfield, Wilson—96.

Mr. CARRUTH of Chelsea paired with Mr. JONES of Boston, Mr. TUESDALE of West Stockbridge with Mr. MCDANIEL of Cambridge, and Mr. CAPEN of Stoughton with Mr. CALLEY of Saugus.

Mr. BARKER of Pittsfield raised the point of order that the bill should go to the Finance Committee. The Speaker decided the point not well taken. The yeas and nays were ordered on the passage of the bill to a third reading.

Mr. HOYT of Athol offered a motion to adjourn, which was lost by a vote of 16 to 122.

Mr. WINSLOW of Newton offered a motion to postpone the further consideration of the bill until Wednesday. Lost.

Mr. BACON of Lawrence moved the reference of the minority bill to the Committee on Finance, pending which Mr. CUMMINGS of Woburn moved the previous question. Mr. BACON stated that he voted for the majority bill in good faith, without bias, and was proceeding further when he was denied the unanimous consent of the House to proceed.

Mr. FITZGERALD of Boston stated that those on the minority side had been equally honest, but hoped the friends of the majority bill would have all the time they wished for talk.

Mr. HOYT of Athol urged as a reason why the previous question should not be ordered that the bill should be more closely examined before it was passed to another stage.

The previous question was lost and the question recurred on passing the bill to a third reading.

Mr. CROCKER of Boston offered a motion to lay the orders of the day on the table. Lost.

Mr. HAMNOND moved that the further consideration of the bill be postponed until Wednesday. Carried by a majority vote of the whole House.

THE HAYES BILL PASSED.

The nice little scheme, if such it was, to defeat all legislation on the tunnel question by bringing about a dead-lock on the unimportant matter of the amount of the appropriation, failed yesterday. The house was willing, but the senate was not, and the bill has now been passed to be engrossed in concurrence. There was observable up to the very last the hand of the different railroad companies. The majority bill was made up to conciliate the friends of the Lowell Railroad. It was defeated by those who did not wish to see that corporation in the Tunnel line. The Hoyt bill, which in its final form was the best one submitted to the legislature this session, failed—why? By the influence of the Massachusetts Central, which, though it commanded but a handful of votes, happened to hold the balance of power. And if reports are to be credited, the partisans of the Fitchburg road, or some of them, were yesterday in the scheme to defeat the Hayes bill, because it contains a clause that would put a stop to the practical union between the Fitchburg and Lowell roads, if they should be disposed to join forces after the legislature is gone. This has been the tale from the beginning of the session to the present time. It has not been a contest between several plans all designed in the interest of the public, but a scramble between half a dozen railroads to secure a prize or to defeat the efforts of others to get it. Nobody has represented the State or its interests. The result is a drawn battle, except for that road which preferred that the whole State should suffer rather than not have a share in the distribution. The Massachusetts Central has won a victory which necessitates a more bitter and acrimonious fight next year, if not at the polls in November; a victory, too, which almost invites the companies to try the power of a corruption fund. Such a victory is a public misfortune, and ought to compel thinking men to ask themselves whether a political system that makes such things not only possible but inevitable does not need radical amendment.

Daily Evening Traveller.

WEDNESDAY, MAY 14, 1873.

ness,—and, by the way, let me say that this freight business which they do now, being entirely carried on with towns in the Commonwealth, is more than the freight business of any other road within the State. It amounted last year to 728,000 tons. Now, sir, they have bought some of this property recently, for doing this very business, and this it is proposed to take away from them. All this property has been offered by the majority of the committee [illegible] authority to anybody else. But, if this committee propose to allow the to join and take that property; because, as they claim they have mad with the consolidated company, tha take it upon the [illegible] vot[illegible]

"Be Sure You are Right."

It is a significant indication of a healthy condition of public sentiment road matters when both the consiste persistent efforts of a corporation t tect its stockholders and its property excite unfavorable comment: when caution as to entering into "ent alliances" is regarded as a lack of en Yet this is precisely the situation to cupied by the Fitchburg Railroad; be is not ready to rush recklessly into n binations, but first carefully consi value, condition and prospects of its and the interests of its owners, it is butt of ridicule by those whose anxi complish certain great plans leads overlook the essential details that all such operations. When it is mind that more than one-third stockholders of the Fitchburg are women, that twenty-five chari religious institutions have here inve upon whose regular dividends they dependent; that the road is free fr that without State aid, without dends, without any of the questio cesses known to modern railroad ma the road has been built, equipped, rated as to be steadily remunerativ that any candid person will say tha attitude is in all respects praise holds itself willing to consolidate terms with any railroads between and the State line, or with the Lowell, if the State shall so de protests against being compelled date with a line like the Troy & R., out of the State, whose stock ketable value, whose present its original cost, and which, as a consolidation, would be in a con trol the whole line, and effectual prevent the proposed extension and the West.

A great deal has been said, haps, but certainly contrary to f attitude now held by the Fit toward the Troy & Boston, as c that of a few years ago. It is while it has in times past advo with the T. & B., and actua such a union, it now changes reason. But in this particular R. R. is thoroughly consistent. fact is, *it has never entered into consolidation contract with the* assertions to the contrary no If any one will turn "to the la timony," instead of listening parties, he can quickly satisfy point.

All agreements have hereto the operating of the roads jointly, and to a *pro rata* d ceipts. It is thus clear that t neither morally nor legally b with the T. & B. R.R, but whi the advantages and necessities consolidation within the Stat against the Troy & Boston be consolidating parties, its inter identical with those of Massac ownership, complications and gencies being such as to imp interest, control a profit and embarass, if not ef tralize, the wishes of the road parties in the consolida the lines proposed by any a for making up the great tunn Fitchburg alone," in the langua mittee, "is a successful and pr Where, then, is the justice of c subjection to other, and impec tions, when it stands ready to plan that shall subserve the while protecting its stockholde valuable property? Why make the other roads optional, and Fitchburg compulsory?

We are not aware of any tion on our part to any railroa

IORNING, MAY 21. 1873.

THE TUNNEL QUESTION.

ACTION IN THE HOUSE OF REPRESENTATIVES YESTERDAY.

HE MINORITY BILL FOR THE OPERATION OF THE HOOSAC TUNNEL SUBSTITUTED FOR THE MAJORITY BILL—THE LAST DEBATE—THE VOTING AND THE VOTE.

A vote on the tunnel question was reached in the house yesterday, and the substitution of the bill of the minority of the committee, providing for State management, for that of the majority, was secured. The debate during the forenoon gave no indication of the result of the vote, Mr. Soule making an excellent argument against the principle of State ownership of railroads. When the afternoon came, however, it was evident that the majority was eager for the vote. There was a full attendance of members, less than a dozen being absent, railroad officials, agents and counsel thronged the lobbies and corridors, and locomotion was attended with great difficulty. The first attempt to secure any delay, to put off the time for taking the vote, was voted down, and considerable impatience was manifested because at least ten minutes must elapse before the vote could be reached. This the speaker gave to Mr. Codman, but Mr. Codman suggested that that time belonged to Mr. Phillips, and the speaker so ruled. It was only with considerable difficulty that Mr. Phillips could get an extra ten minutes, and that because it was urged by Mr. Bailey. The chairman of the finance committee must have felt the difficulty under which he labored, for he did not seem to speak with ease, and the house only became quiet when the voting on the finance committee's amendments began. The vote of the bill was decided when, after the amendments had been adopted, one offered by Mr. Cushing of Hingham, increasing the number of State directors from three to nine, was adopted. Then the roll-call began the first column showed a large preponderance in favor of the minority, and there was no hope. Six members were paired, and as the speaker announced the result—133 to 90—there was a great temptation to applaud on the part of the most enthusiastic members, but they restrained it. The rout of the majority was the more complete from the fact that the order of the house requires the vote, ordering the bill to a third reading, to be taken at once without further debate. Motions to adjourn, to postpone and for the previous question were consecutively made and rejected, until at last the house became excited, and, upon the advice of cooler heads, consented that the matter should be postponed till to-day. A motion to adjourn being then rejected, many of the members adjourned to the smoking and committee rooms to discuss the event of the day, leaving barely a quorum to do business.

THE DEBATE OF THE DAY.

The debate was opened in the morning by Mr. Hale of Springfield. He agreed with his colleague, Mr. Ladd, in opposing the bringing of the Lowell road into the line. His great objection was that really the Lowell is a competing line with the Fitchburg. The overshadowing question, however, was that of State ownership. It is no part of the purpose for which the State was created that it should do or undertake to do this thing. There is no reason why the State should undertake this. The arguments for the minority bill are based not on fact but on prejudice, and have no foundation but in the passions and prejudice of the people. There is no business in which injustice is not sometimes done. On this ground the State would mend us our shoes lest private enterprise should furnish us paper soles. On this principle in all business the State would say, I, and I only, will do this, where injustice should be done. Had this principle been carried out, there would have been taken away that incentive which has made our people strong and great and prosperous. There are but two reasons why the State should assume this railroad. It is either to be done because the people's interest demands it, or because the State has so much invested in the tunnel that it must assume the whole line to protect its financial interests. It would be impossible for the State to cheapen the rates of transportation from the West if it assumes the line. All the great roads, the New York Central, the Erie, the Pennsylvania, the Baltimore and Ohio, and the Grand Trunk lines,—all have low rates from the West to Boston. No road between Boston and Albany or Albany and Troy could do anything to affect the rates of transportation between Boston and the West. It is only the great through routes that can do this. Such an effort would be as futile as to try to affect the flow of a great river with a small ditch. The State would not go into this business with the prestige of a great Commonwealth, but simply as a common carrier. This shows that the people could hope for no reduction of rates from State ownership. Mr. Soule showed that the cost to the State of putting the line into fit condition would be at least $12,000,000. He showed that the income of the Commonwealth from the investment of $12,000,000 in the tunnel and $12,000,000 in improvements, would be $244,000 a year. This was calculated on the basis that it would do the same business as the Boston and Albany, but it is evident that it would be many years before so large a local business as that of the Boston and Albany could be built up. The prospect is not one that should encourage the State to add $12,000,000 to its present investment. There is another feature in the minority bill which should prove fatal. It leases forever the Fitchburg, the Vermont and Massachusetts, and the Troy and Boston roads, guaranteeing the Fitchburg 8 per cent., the Vermont and Massachusetts 4 per cent., and to the Troy and Boston 25 per cent. of its gross earnings. If we adopt this bill, we have adopted an arrangement we can never get out of. What interest has the Commonwealth in the Troy and Greenfield road and the tunnel, that it should saddle itself with a perpetual contract, and load its treasury with an obligation it can never get out of? One would at least suppose that the Commonwealth owned at least that property. But it is only a mortgagee. The Troy and Greenfield road has until 1884 to redeem the property now in possession of the State. The State, then, is in this position. At the end of ten years the Commonwealth, which has but a defeasable interest in the tunnel, finds itself still under perpetual obligation to these roads, and perhaps with its interest in the tunnel at an end, and with no interest in the line with which to pay the obligations it has assumed. For these reasons, any one of which should be sufficient to defeat it, he opposed the minority bill.

Mr. Hayes of Boston thought the Fitchburg road deserved a punishment for the course it took. It took a selfish position and does not deserve any great consideration at our hands. He could see no reason why the Lowell road should come into the line. Mr. Hayes then went on to argue against breaking up the Northern line.

The time having arrived for the taking of the vote, Mr. Codman of Boston was entitled to the floor. Mr. Codman thought that the chairman of the finance committee was entitled to the floor, that committee having last reported on the bill.

The speaker decided the point well taken, and said that Mr. Phillips of Salem was entitled to the floor for the last ten minutes. The rules were then suspended and he was given twenty minutes. He spoke of the various lines from the West and said that we could not hope by legislation to control the rates of fare and freight from the West; we can only hope to get a competitor for the Boston and Albany which shall somewhat reduce our freights. The minority bill is one of the most remarkable he had ever seen. It is a bill to secure cheap transportation by direct taxation; there is no other way. They asked first for five millions. They propose to lease railroads in perpetuity and pay a fixed sum every year without reference to the receipts. They propose to lease roads out of the State at an expense nobody knows how great. He read some figures showing the result of State management in New York. He had no objections to any amendments which might perfect the majority bill in case the minority bill was not substituted. He said the people of Massachusetts will not be satisfied with any man who consents that the Commonwealth shall assume the unlimited risk of such an experiment.

His time having expired, the voting on the amendments was begun. The recommendations of the finance committee were adopted without opposition, also two verbal amendments offered by Mr. Codman for the committee. An amendment was also adopted increasing the number of State directors from three to nine.

THE VOTE.

The vote on the main question, the motion by Mr. Wellington of Worcester, to substitute the minority bill, was taken and resulted as follows:—

YEAS.—Aldrich, Bagg, A. J. Bailey, N. Bailey, jr., W. Baker, Bardwell, Belding, Bement, Berry, E. L. Bigelow, John Bigelow, Billings, Black, Blankinship, Bonney, Bowker, Britton, M. L. Buck, W. H. Buck, Burnett, Burt, Carpenter, Chamberlin, Chapin, A. C. Clark, F. W. Clark, Coney, Cook, Crittenden, Crocker, Cross, Cummings, Currier, Darby, George E. Davis, Joshua W. Davis, W. Dean, Derby, Dewey, Dudley, Edwards, Evans, C. C. Field, H. O. Field, Fisher, Fitz, J. E. Fitzgerald, D. C. Fletcher, J. W. Fletcher, Gardner, Gleason, A. H. Goddard, S. D. Goddard, Gove, Granger, Hanson, Hardy, Harlow, Hawley, Hatch, F. B. Hayes, Haynes, Hildreth, Hollis, L. Holmes, Howes, Hull, Hunt, Hurlbut, Hutchinson, Ide, Jenkins, Judd, Kentfield, C. R. Ladd, Noah D. Ladd, Lewis, Marion, Mason, Mayhew, McCleave, Moore, Morgan, Asa P. Morse, C. D. Morse, Norton, Nowell, Noyes, Osborn, H. Packard, J. B. Parker, Perley, Phelps, Plunkett, Purington, Roberts, Robinson, Ryder, E. Sanford, George J. Sanger, G. P. Sanger, Saunders, Sawyer, Scott, Sears, James B. Shaw, J. Shaw, Shumway, Skinner, J. B. Smith, Snow, Sparks, Stedman, Stetson, Studley, Sweet, Talbot, Titus, Vinal, Walker, Wallace, Waters, Wellington, J. L. White, T. S. White, Whitman, Whitney, Wiley, E. D. Winslow, S. Winslow, Wolcott, Woodbury, Woods—133.

NAYS—F. R. Allen, W. B. Allen, Atherton, Bacon, Barker, Bartholmesz, Batchelder, Benton, Berdge, Blake, Blunt, Bonner, Bradley, Breed, Briggs, Brownell, Chisholm, G. W. Clark, Clatur, Codman, Cogswell, Copeland, Couch, Cressy, Cronin, Cushing, G. J. Dean, Dyer, Fairbanks, T. F. Fitz Gerald, Foss, Frost, Gates, Gilbert, Griffin, Hall, Hammond, Hayden, B. F. Hayes, B. Heath, S. W. Heath, Higgins, H. B. Hill, C. J. Holmes, Hopkins, Howard, Hoyt, Humphrey, Ingalls, Johnson, Keith, Kendrick, Knight, Lancaster, Loughlin, Marden, Morrill, L. D. Packard, Palmer, W. C. Parker, jr., Patch, Peirce, Perkins, Calvin T. Phillips, Willard P. Phillips, F. E. Porter, R. Porter, Read, Regan, Salmon, Samson, Sargent, Sawtelle, Scannell, R. Seaver, Shattuck, James Smith, Soule, Splane, Sprague, Stacey, Stewart, W. B. Stone, Tarr, W. Taylor, Toland, Watson, Whitfield, Wilson, Wing—90.

THE SITUATION.

The talk among the members of the house and the representatives of the various railroad interests is that the majority bill as reported is hopelessly defeated, though the principle involved therein, that of a consolidated tunnel line controlled by one corporation, still has a good prospect of success. The prospects of the minority bill, the best informed say, are by no means as bright as they appear from a casual glance, it having a long gauntlet of foes to run from those who voted for its substitution for the majority bill only to assure the death of that bill, and in turn to kill this, after passing it to its final stages,—to the prospect of gubernatorial disapproval, should it pass successfully through both houses. Indeed, to those who have the best means of knowing the strength of the various interests, its chances of success appear very slim. The friends of the Fitchburg Railroad naturally feel very jubilant, and claim the result as a complete victory for their cause. The Lowell road, as represented, takes a very philosophical view of its defeat, if so it may be called. With a first-class and remunerative local business and with unrivalled terminal facilities, it has no fear for its future or that it will not be able to secure good western connections which will enable it to turn its terminal facilities to good advantage. There are those who accuse the Lowell road, since the defection of the Fitchburg, of having a lukewarm regard for the majority bill, and of making no efforts to secure its passage. They even say that the Lowell and the Fitchburg are still Damon and Pythias at heart, and hint at a plot existing between these two roads to defeat all action at the present time and to again join interests in the future.

The Massachusetts Central interest controls between twenty and thirty votes in the house, and it is understood that these votes secured the defeat of the majority bill. It is their intention, it is said, to pass the State-ownership bill to its final stages, load it with amendments, and then to kill it, thus making sure that nothing will be done until next year, when their road will be well advanced toward completion and they will look for a larger recognition of their interests than they have yet obtained. Assuming, then, that the Massachusetts Central holds the balance of power in the house, Edward Crane's idea is for the Fitchburg, Boston and Lowell, Vermont and Massachusetts and Massachusetts Central roads to unite their interests and present a bill for the consolidation of those roads. That is the only plan, he says, that can be carried through at this session. But as the Vermont and Massachusetts, at least, refuses to enter into this, it is quite likely that nothing will be done on this base of operations. The supporters of the bill introduced in the house at the first of the session feel that a postponement of the matter until next year—with the prospect of another protracted hearing, another struggle and wearying discussion, with the tunnel nearly completed and no preparation made for the accommodation of the business knocking at its western portal—would be a public misfortune, and hope for a satisfactory settlement of the matter before the adjournment. The developments of today will be looked for with interest.

We have authority for stating that, should the State-control bill pass, in no case will either the Vermont and Massachusetts or the Troy and Boston railroad companies lease their roads as provided in the bill.

THE CONTEST OF THE SESSION.

It might be of interest to state here the situation of affairs at the beginning of the session. The first proposition prior to the convening of the legislature, looking to the management of the tunnel route, was the agreement made between the Lowell and the Fitchburg roads to consolidate. The plan agreed on was that the two roads should unite, the present boards of directory to form the directors of the consolidated corporation, General Stark of the Lowell road to be the president, and President Stearns of the Fitchburg road to be vice-president, receiving no pay for that office, but having a salary as the engineer of the line. The roads were to have six years in which to unite and ten years to lease the connecting roads west. Such, in brief, were the arrangements between these roads by which they aimed to secure control of the tunnel and its connections. The Vermont and Massachusetts road refused to assent to this arrangement, and offered the bill presented at the beginning of the session, providing for the consolidation of the various roads forming the tunnel line between Boston and Troy. This was the bill which was referred to the committee on railways, which held one of the most protracted hearings in the history of the legislature. The bill agreed on between Fitchburg and the Lowell roads and the bill favored by the Vermont and Massachusetts and the Troy and Boston roads were the principal ones considered, and it was thought that between these the committee would decide, though the railroad commissioners and others favored State control; Edward Crane presented his Trust Company scheme, and the Massachusetts Central and Great Northern lines were heard at length. The majority of the committee, however, reported a bill embodying substantially both the bills presented by the Vermont and Massachusetts and the Troy and Boston, and of the Lowell and the Fitchburg roads, while the minority of the committee reported a bill incorporating the State trustees of the Hoosac Tunnel Railroad, to be controlled and operated by the State. Soon after the reporting of the bills, the public was surprised to find the Fitchburg road bitterly hostile to the majority bill, and a warm advocate of State control, the inducement of an annual pension of eight per cent. and freedom from anxiety in the future having proved strong enough to gain its assent to retire to a sort of old ladies' home for railroads. The subsequent discussion is fresh in the minds of our readers.

BOSTON DAILY ADVERTISER.

WEDNESDAY MORNING, MAY 21, 1873.

☞ We do not read anonymous letters and communications. The name and address of the writer are in all cases indispensable, as a guaranty of good faith.

We cannot undertake to return or preserve communications that are not used.

THE TUNNEL QUESTION.

We have not heretofore feared that any bill to transfer the ownership or the management of the Tunnel line to the State would receive the sanction of the legislature; nor do we now fear that the volume of acts and resolves of 1873 will contain any measure intended to accomplish such a result. The arguments against it have never been answered, and they cannot be answered. It is mere evasion of the question to say that the corruption that would inevitably be an accompaniment of State management could be no greater than the scandals of private management. The issue is, Shall the State be a participator in any business where a certain amount of corruption is unavoidable in the nature of things? Mr. Gladstone said, in reply to the request of the Irish members that the State should purchase the railways of that island, that the province of a government was not to trade but to govern. The bill which the house of representatives yesterday substituted for the report of the majority violates this principle, which is fundamental, however often and however greatly it may be violated. It is not the duty of the government of Massachusetts to provide cheap transportation for the persons and goods of its citizens any more than it is a duty to provide them with cheap food and clothing. Nor is there anywhere the least evidence that the effect of the doubtful experiment which the house appeared to sanction yesterday would be a diminution of rates. We say *appeared* to sanction, because it is not to be taken for granted that all who voted against the majority bill are in favor either of the State ownership bill as it stands or of the principle of the bill. Some, at least, who were among the 133 yeas are strongly opposed to the policy they seemed to advocate, and will vote against the passage of the bill.

The substitution of the minority bill for that of the majority, so far as most of the members were concerned, is due in large measure to the prevalent feeling of hostility, partly justified and partly causeless, against railroad corporations. The theory of State ownership is undoubtedly attractive. If all the evils complained of could be swept away by an act of the legislature, everybody would be pleased. Nothing short of this was promised by the more zealous advocates of the minority bill, and it is hardly to be wondered at that many members were induced to try the experiment. But the expectation is doomed to disappointment wherever it may be tried. Men who are managing their own property do their best to manage it well. When the State hires men to manage property for it, they can do no more. Accidents will still happen, charges will still be unsatisfactory, improvements that are asked for will still be postponed, delays of transportation service will still be experienced. Not one of the existing causes of complaint will be removed, but the aggrieved parties will no longer find anybody to complain to; and a new train of evils will follow. It is not pleasant to be prophets of evil, but the prospect of disaster to any State that attempts to do what a majority of the house wish to do is too palpable to be overlooked. These considerations, we must suppose, have been carefully weighed, and have been deemed by a large number of the representatives, perhaps by a majority, insufficient to deter them from entering upon the experiment.

Now that the advocates of State ownership have proved their strength, we may anticipate that they will hardly be disposed to tolerate a careful examination of the details of the bill. Many of its provisions are open to objection, even if its principle were to be admitted; and though the house is probably impatient after the long debate, and though amendments, especially if they are proposed by those who voted for the bill of the majority of the committee, will be viewed with suspicion, yet we trust that those who have heretofore pointed out the objectionable features of the bill will not hesitate now to bring forward amendments, not with any purpose of making factious opposition but to make the bill as perfect as possible. The guarantee of certain dividends to the railroad corporations in the Tunnel line, forever, is the chief objection, unless the first place may be taken by the provision that authorizes the trustees to lease indiscriminately the roads west of the tunnel. But these objections and others we have not space nor time to discuss today; nor another question which is certain to arise, Whether the appropriation of money for the purposes of this bill is not in violation of the spirit of the constitution? The vote of yesterday has merely given the death-blow to the proposition to admit the Lowell Railroad to a consolidated line under private management. The result may be that the final decision will be put off to another year, which we regard as a calamity, but we hesitate to believe, on the evidence thus far afforded, that a majority of the house of representatives will squarely support the policy of State ownership.

Daily Evening Traveller.

WEDNESDAY, MAY 21, 1873.

☞ The defeat of the majority bill for the incorporation of the Hoosac tunnel line, and the substitution of the minority bill, was predicted in the *Traveller*, and is no surprise to those who have been at the State House during the recent discussion. The next contest will be over the minority bill, and it is believed that this bill will have the same fate as the bill for which it is substituted. The defeat of the majority bill was due to hostility to the Troy & Boston road, and friendship for the Fitchburg and Massachusetts Central roads, quite as much as to a willingness to make the radical changes proposed in the minority bill, and when a square vote is taken on the question of placing the line under State management, many of those voting with the majority yesterday afternoon, will be found opposed to it.

The failure of this legislature to settle the question of the future control of the tunnel would be unfortunate for the State as well as discreditable to that body, but delay would be preferable to the passage of the bill now before the House. But it is not too late for the substitution of a bill which shall be just to all the roads in the tunnel line, ensure the control of the tunnel itself by the State, secure desired terminal facilities and connections, and give the public the advantages anticipated from its completion, if some man or men, seeking those results rather than to promote any particular interest, will set about it. The different companies must be weary of the selfish and fruitless struggles of the past four months, and we believe that, with perhaps one exception, and that not a Massachusetts corporation, they will be found willing to favor a measure of the character indicated.

Boston Journal.

WEDNESDAY MORNING, MAY 21.

The Railroad Bills in the House.

The House of Representatives yesterday rightly interpreted the public wish, at least so far as to terminate the debate on the Railroad bills for the time being, and to begin voting. The amendments to the Railroad Committee's bill, proposed by the Committee on Finance, were adopted without objection, and then the bill proposed by the minority was substituted for the first by a vote of 133 to 90. The subsequent proceedings, however, indicated that this was as far as the House was ready to go at that time, and after some by-play, in which the opposition to postponement grew weaker and weaker at every vote, the subject was by a very large majority put over until to-day. The vote which was taken indicated but little more than that the House is not in favor of the bill reported by the majority of the Committee. Under the circumstances, the Committee can hardly be surprised at this. It was the Committee's bill: an honest attempt, doubtless, to find a fair solution and outlet to a difficult question; but not being what either the great rival interests—the Tunnel line, so called, on the one hand, and the Lowell and Fitchburg Railroads on the other—originally petitioned for, it enlisted no strong partisanship in its favor, while it encountered a very strong opposition from the Fitchburg, which deemed its interests sacrificed; and at the same time it became objectionable to that class of people who have suddenly become victims to the theory of State ownership and State running of railroads, and who are also just at this time subject to the prevailing Western gust of hostility to all railroad corporations, and think that we are going to have cheap bread at once by appointing presidents, directors, engineers or conductors from the politicians who throng the State Conventions and the ante-rooms of the State House. It is no matter of wonder, therefore, that the majority bill did not get over ninety votes. The other bill is now to run the guantlet of a more severe investigation, and if it should even be ordered to a third reading, there is little or no possibility that it will finally survive criticism and obtain a majority of the House. Many members, we know, are not satisfied with it, and are not willing to pledge themselves to see it any further on its road to success. We do not think that its friends are at all sanguine of victory for their bill, though they have won the first decided advantage by putting the passage of the majority bill, in its present shape, out of the question. We trust an earnest effort will be made to settle the question on some safe business and financial basis, without resorting to the chimera of State ownership or State operation, in the sense these words are commonly understood, and that the subject will not go over to encounter the chances of 1874, unless it is apparent that no suitable bill can be passed. Better postpone, however, than pass any questionable measure.

BOSTON DAILY ADVERTISER.

THURSDAY MORNING, MAY 22, 1873.

THE TUNNEL QUESTION.

TALK IN AND ABOUT THE STATE HOUSE, YESTERDAY,

THE BILL OFFERED BY MR. HOYT OF ATHOL—ITS MAIN PROVISIONS—POSITION OF THE VARIOUS INTERESTS—WHAT IS SAID OF THE INTENTIONS OF THE FITCHBURG MANAGEMENT.

The condition of affairs in regard to the tunnel question at the State house yesterday was not materially changed from that of the day before. The State-control bill, as was expected, was ordered to a third reading without debate by a vote of 104 to 70. In this vote there was but little change from that of the previous day. The fight will take place on the next stage of the bill, when there will be a general change of hands and the various interests will be ranged on their respective sides. Mr. Hoyt of Athol offered yesterday as a substitute for the bill before the house a bill having the same end in view as that originally introduced by him at the beginning of the session, though in regard to the control of the tunnel it differs essentially from any bill that has been proposed, endeavoring to guard thoroughly the rights of the State and of connecting roads. The bill incorporates, under the name of the Hoosac Tunnel Railroad Company, the Fitchburg, the Vermont and Massachusetts, the Troy and Boston railroad companies, and the Commonwealth of Massachusetts, by virtue of its interest in the Troy and Greenfield and the Southern Vermont railroads; the terms, manner of consolidation, to be affixed by three commissioners to be appointed by the supreme judicial court, unless the terms shall be mutually agreed on by the companies named and by the governor and council. The corporation shall be subject to the general railroad laws. The title to the Hoosac tunnel shall remain perpetual in the Commonwealth, which shall retain the right to control and regulate the use of the tunnel, and the governor and council may from time to time establish rules and regulations for the management and running of trains through the tunnel by the company, so that no discrimination shall ever be allowed against any connecting railroad company in respect to the carrying of freight or passengers. The Commonwealth shall receive from the company a uniform tariff for every paying passenger or ton of freight carried through the tunnel. This provision of the bill differs from any other proposition made, in that it gives the State a regular revenue for the use of the tunnel, instead of a percentage on the earnings of the line. Within the limits fixed by the bill this tariff may be fixed or altered by the governor and council from time to time as in their judgment the public interest may require. The books and accounts of the company are required to be kept in such manner as shall show clearly the number of passengers and the amount of freight carried through the tunnel, and for what railroads they are carried. These books shall be open for the inspection of officers or agents of the Commonwealth, and the company shall be required to render a quarterly statement of the business of the tunnel to the governor and council, and at the same time shall pay into the treasury of the Commonwealth the amount due under the provisions of the act. The company shall make at its own cost all ordinary repairs upon the tunnel, and it shall make all extraordinary repairs and alterations at the cost of the Commonwealth. The capital stock may be fixed by the companies and by the governor and council at an amount not exceeding $20,000,000. The rest of the bill is substantially the same as that originally offered. Mr. White of Plymouth gave notice that today he would offer as a substitute a bill incorporating the Atlantic and Ontario Railway Trust Company, the same which was advocated by Edward Crane at the hearings before the railway committee.

Such was the progress made in the business of the House as far as the tunnel is concerned. But on the floor and in the lobbies there was much talk and speculation, many statements were made and facts were brought out of considerable interest. There appears to be six separate interests now represented, the Vermont and Massachusetts and the Troy and Boston, the Lowell, the Fitchburg, the Massachusetts Central, State control and Edward Crane. A glance at the present position of these various interests would not be out of place here. The Vermont and Massachusetts Railroad Company has not changed from the ground taken at the first,—that of a consolidated line of the roads forming the natural route from Boston through the tunnel to the West,—except when the reports of the railway committee gave them no choice except between the majority and minority bills. The majority bill received their hearty support, but now that it is dead they return to their original stand and will favor the bill offered by Mr. Hoyt. In this they have the cooperation and support of the Troy and Boston Railroad. The Boston and Lowell interest naturally feel disappointed at the defeat of the majority bill, and will make no further attempts to secure consolidation at this session. Concerning the Fitchburg, some very interesting facts have been brought to light. It is asserted that this company, while ostensibly favoring the State-control bill, is secretly opposed to the principle therein involved. Indeed, this is admitted by some of the members who have most earnestly espoused the cause of the Fitchburg road. They say that the company will take care that the bill they now advocate shall avail nothing except to accomplish the desired end of bringing the work of the session to nought. While the great number of the advocates of the State-control bill firmly believe that the Fitchburg road honestly intends to come into the line under the bill, there are others who think differently, and draw their inferences from the past course of the company. "Don't you believe it," said one member to another yesterday, who was trying to impress him with the honesty of purpose of the Fitchburg. "Don't you believe it! The Fitchburg will never place its road under State control with such a bill as that. Its promises amounts to nothing. When we adjourn it will not accept the bill. It would as soon break faith with the Commonwealth as it has with the Vermont and Massachusetts. Its duplicity is past finding out." The following conversation took place the other day between a gentleman and one of the most prominent officials of the Fitchburg road: "Mr. ——, now you don't really mean that you will lease your road to the State under that bill,—letting it have for $4,000,000 a property that is worth $8,000,000, according to your showing?" "Oh yes, Oh yes!" was the reply; "you see that we will get our eight per cent. dividend out of them for four or five years, and by the end of that time the State will be sick enough of its bargain, and be glad enough to give us the tunnel for nothing." It is understood that the course which the Fitchburg has laid out is to secure if possible the passage of the State control bill, professing all the time to earnestly advocate its principle, and should it become a law to present it before its stockholders as promised, but to take care that the stockholders reject it. Then a contract is to be made with the Lowell road by which both roads will be brought under one management, which management will be that of the Lowell. This contract can be effected without the consent of the legislature, and thus will the desired consolidation be practically effected and the Lowell road brought into the tunnel line to all intents and purposes without so much as "by your leave" to the State. Such, say those who appear to be well-posted as to the state of things, is the programme of the Fitchburg road, The Massachusetts Central interest desires nothing to be done, and will use its influence to secure that result. The State-control interest professes its confidence that its bill will be carried through, but the prospective defection of the Massachusetts Central and other interests, which simply supported the minority bill in order to kill the other, make its success very doubtful. Edward Crane's bill—the Atlantic and Ontario Railway Trust Company—seems to have the least following of any, though the Fitchburg and the Massachusetts Central interests are said to look on it with some favor.

We regret that in our issue of yesterday, in endeavoring to report the views and opinions expressed at the State house and about town in regard to the tunnel question, we printed several statements which imputed bad faith to the Fitchburg Railroad Company, and one at least, a fair construction of which would imply that we credited such imputations. We desire to say that we have no reason to believe that they were well founded, and we are assured on the best authority that they are untrue. The Fitchburg Railroad Company reserved, in its arrangement with the Lowell Railroad, the right to favor any plan of State ownership, if so disposed; and since the presentation of the two reports to the legislature the managers of the Fitchburg road assure us that they have not only openly but secretly advocated the minority bill. It is needless for us to say that we believe their action unwise, but that it has been consistent and in good faith throughout we have no reason to doubt.

BOSTON DAILY ADVERTISER.

FRIDAY MORNING, MAY 23, 1873.

WHAT SHALL BE DONE?

The course of the house of representatives on the tunnel question, and a survey of present prospects, illustrate in a marked manner the difficulty to which we have more than once referred. There is no State policy. It is well understood that many members are guided in their conduct by the wishes of certain individual railroad corporations. We suppose there are in the house of representatives partisans of the Vermont and Massachusetts road, who wish for the originally-proposed through line; partisans of the Lowell road, who are for no bill that does not include that railroad in the consolidation; partisans of the Massachusetts Central, who desire that all things shall remain as they are; partisans of the Fitchburg road, who favor State ownership as the best escape from what they regard as a worse fate for that line; and perhaps some partisans of the Albany road, who would like nothing better than that the State should embark in the doubtful enterprise. We use the word "partisan" in no offensive sense. The members are bound by no party fealty to support any particular scheme; they naturally regard the interests of their own section and of their favorite road as of commanding importance; and with a really honest and sincere purpose to do that which is for the best good of the State, their judgment may be warped by preferences which ought not to have weight in the decision of this important question.

It is too late to lament this state of affairs. Men's minds are now generally made up, and the diversity of interests is so great that the prospect that any final legislation on the subject will find a place on the statute book has become much smaller than we could wish. The largest fragment of the house seems to be that which is in favor of the policy of State control. That it forms a majority of the house we do not believe. And many of the members who have voted and will vote for the minority bill must have been driven to that position by inability to decide between the various conflicting schemes, which are, as we have said, merely schemes in the interests of the railroads. It may be that there are some railroad managers who have an eye beyond the prospect of dividends and who look to the good of the whole State. If so, they are *rarœ aves*. As every conceivable scheme has been presented, of course one of them must be for the best good of the Commonwealth. We have many times indicated which of them we preferred, but we never claimed and do not believe that the managers of the Vermont and Massachusetts and the Troy and Boston roads take any broader views in pushing their plan than General Stark, or the directors of the Fitchburg Railroad. It is hardly logical to favor a project of such an extremely dangerous character as that of State ownership because one cannot make up his mind between three or four other plans, all of them preferable to it. The vote for State management involves no act of hostility to any road, however, and it is the easiest escape for all who hesitate to favor one railroad above another. We are not to be understood as ascribing this as the leading motive in the minds of all those who voted for the minority bill, but we are confident that it accounts for some of the votes.

This, then, being the state of affairs,—a scramble between various railroads and combinations of corporations, with the alternative of a dangerous experiment or of nothing at all being done,—what is the duty of the legislature? Certainly not to pass the State ownership bill, for often repeated, unanswered and unanswerable reasons. Certainly not to do nothing. Have members reflected what would be the consequences of leaving this

question open to be fought over at the State election? Every railroad concerned in the decision would be forced in self-defence to look to the composition of the legislature. Instead of a calm decision by the legislature, which has become informed on the whole subject by a protracted and fully-reported hearing, we should have one by the whole body of the people, who have but the vaguest general ideas of the complicated question, and who would be worked upon by influences that should at all times be kept out of politics. But the alternative is a selection of one of the railroad plans already presented; and the most sanguine friend of either of them cannot expect that his favorite scheme can be carried as a whole. Nor does there seem to be much better chance for the compromise bill of Mr. Hoyt. We nevertheless believe that if time could be afforded still another bill might be drawn, based upon the original proposition of the Vermont and Massachusetts Railroad, but omitting some of the features that have been objected to. The plan should be merely a permissive consolidation, omitting the clauses coercive of the Fitchburg corporation. It should authorize the consolidation of the Fitchburg, the Vermont and Massachusetts, the Troy and Greenfield and the Troy and Boston roads, or any two of them, on terms to be agreed upon by the several companies, or, in case of a joint application, by a commission. It should reserve the tunnel to the State, to be operated by the consolidated corporation under an arrangement similar to that of the majority bill as amended by the finance committee. It may be that nothing would be done under such a bill as we have sketched, but it would at least serve to keep the question out of State politics. And it might be that on a calm review of the prospect, and with the rights of the Fitchburg road fully preserved, that corporation could be induced to join once more its old allies west of its road, and solve this vexed question once for all. This is not a time to experiment, to hesitate, or to play dog in the manger. Some of the plans presented at the State house are dead beyond resurrection. It would be the part of the highest wisdom for those who have heretofore supported such plans, to consider seriously whether they have not a duty to perform in rescuing the State from being driven into the most corrupting of all kinds of business, and also from the inaction, resulting solely from lack of leadership and statesmanship, that would expose us to all the hazards and corruptions of a railroad war at the polls.

THE CONTEST FOR THE TUNNEL.

Preparations for a Great Legislative Fray—Position of the Fitchburg, Lowell, and Massachusetts Central Railroads. Oct. 1873

It seems not to be improbable that, at the next session of the Legislature, the main question for consideration will relate to the disposition that is to be made of the Hoosac Tunnel route to the West, and with the view of ascertaining what preparations are making now on the part of possible participants in the contest, a reporter of the HERALD pushed the investigation whose results are chronicled below.

THE FITCHBURG RAILROAD

has not lost sight of the great importance of the question to it, and will again be seen participating in the legislative contest as an active combatant. [illegible] officers have taken a lively interest in the matter, and have appointed a committee to confer with the directors of the road, with the design of mapping out a plan for the campaign. This committee have already had several confidential conferences with the directors, the latest of which took place last week, and it is understood that the burden of discussion and thought at the larger number of these gatherings was the framing of propositions for the consolidation of the Fitchburg and the Vermont and Massachusetts railroads, which would be likely to prove acceptable to the latter corporation. It is not, of course, possible to obtain for publication at the present time an accurate statement of the exact character of the proposals that have passed between the two companies, but it is known that so far they have been of an unsatisfactory nature, and that the wished for alliance is no nearer reality than ever. Even an agreement on the main question has not been arrived at, letting alone the fact that a thousand and one details will have to be considered before the [illegible] can be developed into perfection. The officers of the Fitchburg still seem to regard with favor the project for giving the through line into the control of the State, and most a potent reason for this is to be discovered in the magnitude of the sum which will be required to construct proper terminal accommodations to answer the demands of the traffic that is expected to flow over the newly completed line. To put up elevators alone, capable of receiving the grain which in all probability will be received, will cost, it is estimated, no less a sum than $1,500,000, and not one of the corporations that are looking with envious eyes on the through route is willing, or indeed able, to undertake to make such an expenditure. It is claimed that the current of traffic, if it flows with its full anticipated force, will not justify the immediate outlay of so large a sum. It is represented that another obstacle in the path of railroad officials is the retention of power on the part of the State over the tolls which will be imposed for passing through Hoosac Tunnel. It is certain that that authority will rest in the hands of the Legislature, and it is asserted that the corporations will find it unsafe, in attempting the management of the line, to run the risk of having their prosperity impaired or ruined by the capricious action of a body whose errors cannot be remedied until twelve months have elapsed, and whose mistakes may entail a loss of hundreds of thousands of dollars before they can be corrected. The statement is made in good faith that the profits arising from the transportation of grain from the West to the East are insignificant in amount at the present time, and that it is extremely unlikely that they will be materially reduced. Indeed, it is stated that it is improbable that there will be much diminution in freight rates from those at present imposed, as the railroads now have to depend upon the compensation received for carrying freight to way stations to enable them to pay dividends. Besides these considerations, which weigh in favor of State control, and therefore State aid, another exists which must be taken into account. The Troy and Boston road, that connects the Hoosac Tunnel with Troy, is at the present time in possession of Commodore Vanderbilt, and an element of danger is found in that fact, and the unlikelihood of any disposition on the part of that potentate of releasing his control of the strings he is able to draw, and directing traffic from the lines running to New York city that are under his thumb. For these reasons the Fitchburg Company, while preparing to enter the inevitable campaign with a matured plan, seems at present not to be indisposed to unite their strength with that of the advocates of State assumption of the road.

THE LOWELL RAILROAD.

According to the statement of the officers of the Lowell Railroad, that corporation has not as yet begun even to consider a plan for securing possession of the prize for which at the last session of the General Court the different companies exhibited such lively indications of covetousness. It is, however, the general belief that the Lowell is not in a position to stand aloof, like a rich and synical maiden, carelessly indifferent whether she is wooed and won or not. The incomparable terminal facilities of which so much has been heard have not been completely utilized, and it is fair to believe that the company still possesses an inclination to participate in the privileges which are expected to be opened by the completion of the Tunnel line.

Indeed, notwithstanding the fact that the Lowell Company, by the mouth of its officer, says that it is giving no attention to the question, it is confidently asserted in circles that are likely to be well informed, that Gen. Stark is regarding with considerable interest the plan that, as outlined, is to afford connection between the Massachusetts Central Railroad, which, although not completed at the present time, could within a couple of years or so be finished at Amherst, and the Troy and Greenfield road at South Deerfield, and the creation of a line from North Adams to Albany. In addition to the connecting route thus indicated, there is another which is designed to unite the Massachusetts Central and the State road to the Tunnel by a branch line from Northampton to Shelburne Falls. That this is the subject of serious consideration on the part of the officers of the Lowell road is firmly believed in every quarter in which railroad affairs are discussed with interest. One thing seems to be certain. The line of the Lowell road, with the freight which is now reaching it by means of its northern connections, is totally insufficient to satisfy the restless mind of its leading spirit. Alexander himself not more ardently desired more worlds to conquer than does Gen. Stark to open up an independent line to the West. In New Hampshire he has been baffled. All his schemes, through the contumaciousness of the Legislature of the Granite State, have disappeared into the air, and the embarrassments of the Vermont Central line are believed to have interfered in no small measure with the working of that road in connection with his own. So that unless he desires to be encumbered with a magnificent passenger station and unsurpassed terminal facilities far in advance of his needs, he must devote his attention to endeavoring to perfect the line through the upper States which experience has demonstrated cannot be perfected; form an alliance with the Fitchburg, on whose permanence, in the light of the brittleness of binding promises, as evidenced before the legislative committee last year, no man would be willing to stake so much as a penny; or join in an understanding with the Massachusetts Central road by which communication may be opened between the corner of Nashua and Causeway streets and the Hoosac Tunnel. If the Lowell Company, by its attorney, fails to put in an appearance at the next session of the Legislature, clamoring as energetically for permission to explore the recesses of the mountain, whose construction has been so costly, as Shylock for his pound of flesh, all we can say is that great will be the wonderment of the people.

THE MASSACHUSETTS CENTRAL.

No more this year than last will the Massachusetts Central line stand unconcernedly by while the struggle for possession goes on. It has its ambitious hopes as well as others, and although the projected line, which those interested in it believe will be completely finished by the first of January, 1875, runs through a section of the Commonwealth that would seem to be rich enough to afford ample remuneration to those who have had the faith to construct it, still the policy of encouraging the desires of those who would like to make it a through route to the West is so manifestly good that the officers of the Central do not affect to be indifferent concerning it. Contracts have already been made by which in the course of time not far distant the facilities for entering this city enjoyed by this company will not be surpassed by those possessed by older roads. By agreement with the Boston and Lowell, the Massachusetts Central will be able to connect, from a point in Somerville, about three miles out, with the main tracks of the Lowell road both to the territory bordering on deep water by the Navy Yard, to the freight houses in East Cambridge and Boston, and to the depot on Causeway street, enjoying the use of all those advantages which the Lowell road has shown marked sagacity in securing, and this, practically, without previous outlay. At the investigation which was carried on at the State House last year, the point made against the Massachusetts Central was that it existed but in the visions of its founders, that it was not a reality in the shape of an open line. Day by day that point is being worn away, as hour by hour witnesses progress in the work. It is true the line is not finished continuously, but it is also true that the harder part of the undertaking has been completed; that the rough parts that were most likely to furnish the toughest resistance, have been vigorously assailed, and, in the majority of instances, stoutly overcome. Out of the ninety miles that constitute the length of the thoroughfare, sixty have been completed into within ten per cent. of the total cost, ready for the construction of tracks, while the bridge whose construction will cause a greater disbursement of money than any other on the route is to be considered as more than three-quarters done.

STATE ASSUMPTION.

The feeling is widely entertained that the advocates of State assumption of the line from Boston to the Tunnel will go into the incoming Legislature with far greater strength than they possessed last year. Experienced legislators in the last House claimed to have discerned as the session lengthened a perceptible increase in the influence which the supporters of this policy wielded, and it is believed that the contentions of the rival claimants will be summarily terminated by the adoption of this course. At the same time it is impossible to find a man unimpressed with the conviction that this is one of the most dangerous lines of policy that the State could adopt. It is pointed out that the reasons by which the course of the Fitchburg is animated should operate to deter the Commonwealth from enlisting in the enterprise. The reconstruction of the Vermont and Massachusetts Railroad, the rebuilding of unsafe bridges and laying of a double track, together with the enormous expenditure necessary to put the line in thorough equipment in the shape of rolling stock and facilities for the delivery of grain, will demand, it is claimed, a preliminary outlay that the Commonwealth should shrink from making, while the leasing of the Fitchburg road, giving the stockholders a guarantee of eight per cent., with a possibility that their income under the arrangement will amount to ten per cent., is a policy so suicidal that it should not be countenanced. Still, after all these things are taken into consideration, it remains true that there is a party whose numbers are swelling in favor of the assumption and operation of the road by the State, while there is another sanctioning the assumption of the State by the road, and yielding under wise restrictions its management to a live corporation.

CONCLUSION.

Thus it will be seen that public interest in the [illegible] legislation of the coming session will cluster primarily about the solution of the great problem of how best to attain the end of pouring, for the benefit of the entire population, the grain of Western prairie farms into the markets of Boston; that combinations are already making and strategic positions being assumed that shall intensify the strife over this question, and engross attention during the larger part of the session; and that the parties to it will in all probability be actuated by that amiable disposition which tradition affirms possessed the cats of Kilkenny.

There is no power given or intended to be given, to consolidate the Lowell & Nasp. & then, after that, consolidate with the Roxy & Boston. It must be one consolidation only, in which the property & franchises of all the parties must be included & the proper amount of the stock in its total-ity, agreed upon and divided. A second consolidation would require a second act specially for the purpose. And how would it do for the Com^rs of Nasp. to take this course to circumvent and avoid the proper intent and purpose of the laws of a sovereign State?

B. I suppose there are to be two considerations the legal question as to the rights of individual stockholders — and this would be, unless the decisions of the courts, a legal and effectual bar to the measure.

In short, I do not believe there is the slightest probability of any plan by which the Lowell and Roxy & Boston roads can be consolidated with other roads, into one corporation. I do not believe any State in this union can compel or coerce one of its corporations to consolidate without the consent of all the stockholders, with a corporation of any other State. If any one State can do it, all of them can — and a condition of utter confusion and chaos between the policy & conflicting of laws would speedily ensue. The attempt, if it should ever be made would be absurd in the highest degree.

A. W. W.

"the Hoosac tunnel will soon be finished and upon its completion we hope a large and remunerative business will soon begin to flow, but extensive alterations must be made in the Troy & Greenfield RR before a large traffic can be properly transported on it & the extent of the future business through the tunnel will be partially controlled by the action of the legislature respecting the improvements & the manner in which they determine the road shall be operated. It is also true that until some independent railroad connection is secured with Troy so that the quantity and quality & profits of this business will partially depend upon what arrangements can be made with the N.Y. Central RR

The Hoosac tunnel now opened through the mountain, will certainly be completed during the coming summer. Although the circumstances and conditions existing at the time of commencing the enterprise have changed in a wonderful degree by the construction of ridges across the Hudson river and the opening of through routes to the west, a large & remunerative business must soon begin to flow through it, to accommodate which extensive alterations must be made in the Troy & Greenfield railroad and a general improvement of the whole line, together with largely increased equipment & terminal facilities at Troy. The amount of this business & the terms upon which it may be done will very largely depend upon the action of the legislature respecting these improvements & the manner in which the line shall be operated; and also until an independent railroad connection is made with Troy & beyond, upon arrangements which may be made with the N.Y. Central RR. These matters are of the almost importance, as shown throughout the legislature bearing upon the subject, & upon a wise & judicious settlement of them must the real measure depend to the success of the line & its benefits to the future of the City"

HE HOOSAC TUNNEL.

MASSACHUSETTS'S GREAT BORE COMPLETED.

1873

LY HISTORY OF THE ENTERPRISE—
HTEEN YEARS' TROUBLES, FAILURES,
D FINAL SUCCESS—CHARACTER OF THE
ANTIC UNDERTAKING—TRIUMPHS OF
GINEERING SKILL—IMPORTANCE OF THE
RK.

1873

[FROM OUR OWN CORRESPONDENT.]

STON, November 26.—The Hoosac Tun-
hat "great bore," is completed, but not
ed. The holes for the final blast were
d yesterday, and the men are now at
upon the last drilling of the central
-head. Everything has been made
y, and the great event will occur at two
ck to-morrow precisely. The blast will
n enormous one, no less than 150
ds of nitro-glycerine being neces-
to effect the great breach. This
arly equal to both the great blasts of last
mber. The history of this great enter-
is fraught with a series of difficulties,
has been more or less, as it is now, con-
d with the politics of the State. But
y the workmen of the two gangs are
ersing in the heart of the mountain, and
people of the State breathe freer, finan-
y speaking; and next winter the tax-
rs of the State will be called upon to
the bill, the commonwealth having, as is
known, expended a vast amount of
ey on the enterprise.

he original plan for a tunnel through the
sac Mountain contemplated its use as a
l as early as 1825. This was at the time
railroads were talked of. A few years
the Boston and Albany Railroad was
eyed, and the road finished through to
ny in 1841. In 1842 the Fitchburg Rail-
was chartered; in 1844 the Vermont
Massachusetts road was chartered; in
a charter was granted to the Troy and
nfield Company, to connect with Wil-
stown, on the State line, to any road
ng to or near the City of Troy. The
el was not mentioned in the charter,
ugh it was a part of the original plan.
length of the road from Greenfield to
State line is about forty-five miles. The
ion was agreed upon in 1850, and from
time may be dated the initial movement
boring through the mountain. In 1851
orporators of the Troy and Greenfield
petitioned the Legislature for
oan of the State's credit. The
ure had many enemies as well
friends, but the arguments in
of the tunnel were presented in a
g light, occupying many days of the
on, but was defeated after passing
igh the fiery ordeal of debate and recon-
ation, Hampden County, among others,
ignificantly, voting against the loan, and
klin for it. According to the estimate
engineer the outside cost of excavation
$1,948,557, and the longest time neces-
for completing the tunnel, working from
faces only, without a shaft, was 1,556
ing days. With one shaft it was con-
ed the "bore" could be realized in 1,054
ing days.

1853 the Troy and Greenfield Company
another effort for State aid, the Western
oad corporation, among others, remon-
ing against the measure on the ground
in the event of the completion of the tun-
hat road would lose all its business. In
of that year the loan bill was passed by
cided vote. But there were great diffi-
es in meeting its provisions, which,
g other things, provided that the loan
e State was to be $2,000,000 in sterling
s, payable in instalments of $100,000
. Before the first instalment was deliv-
the Company was to secure a stock sub-
tion of $600,000, on which 20 per cent.
be paid in cash; to build seven miles
e railroad, in one or two sections, and
mplete 1,000 lineal feet of the tunnel,
for a single or double track. When
iles of the road was finished and ready
se, and 2,000 feet of the tunnel had been
leted, the second instalment of
stock, and by other means the work was
tinued for some months. In the middle
858 it was shown that 976 feet of finished
nel had been made at the east end and 315
at the west end. This entitled the con-
tors to the first instalment of $100,000 of
$2,000,000 loan, and it was drawn. In 1859
the Legislature modified the loan act. In 1860 the legislative committee on the subject discovered some irregularities in the manner in which the enterprise had progressed, and Mr. Haupt was criticised. It is unnecessary for the purposes of this article to go into details respecting the investigation that took place. In the same year a new amendment to the loan act was passed. It proposed to devote $650,000 of the $2,000,000 to the road east of the tunnel. In 1860 and 1861 the State paid out about $300,000, making the total advance thus far $778,695, not including interest. It was about this time that the State Engineer refused to certify the bills of the contractors, on the ground that the work done was not what it should have been, and operations were accordingly suspended. The work was also abandoned by the Troy and Greenfield Railroad corporation, and it was at this juncture that the State, which had all along been paying out money, assumed control of the enterprise and has pushed it to a successful completion, but at an immense cost.

The State committed itself to the tunnel enterprise in 1862, and in that year there was much discussion upon the subject. The bill ordering the Commissioners to resume operations provided among other things that the tunnel should be run by or leased by the State, as thought best. The report of the Commissioners to the Legislature of 1863 was a very interesting document. They estimated the cost of finishing the "bore" and the road, with interest to the time of completion, including the advances already made, at $5,719,330; and the time necessary, if a central shaft should be constructed, seven and a half years. At this time the work performed embraced 2,394 feet of heading from east end westward, and 325 feet west shaft sunk to grade, and that for only a single track.

The next year the policy of the State with reference to the tunnel was settled, the lobby assisting materially to that end. On resuming work in 1863 many obstacles were encountered and overcome. Fatal errors were detected, and among others it was discovered that the workings from the west shaft were not parallel with the tunnel from the east end, being eighteen feet out of place. An entirely new line was established. The central shaft was commenced this year, and this, together with all the other work, up to this time had been done by hand power—a very slow process. In March of 1865 the work of cutting down the breast of the work at the east end working was completed, and thereafter the heading was pushed forward from the bottom instead of the top of the tunnel. At the west shaft good progress was also made in 1865. The total length pierced to December 1 of that year was 4,355½ feet, 2,904 feet of which was east end heading. On the 1st of November of the same year the central shaft had reached the depth of 201 feet. Another year's progress showed 4,813 feet in all, the central shaft reaching 377 feet. In 1867 a terrible accident occurred at the central shaft, involving the loss of thirteen lives and a property loss of $40,000. During the thirteen months ending January 1, 1868, the east end had progressed 1,235 feet; the west shaft eastward, 252 feet; and the central shaft, 206 feet. Total to January 1, 1868, 7,324½ feet.

At this stage of the work the consulting engineer recommended the Legislature to have the work in future performed on contract. The struggle over, this question was a hard and long one, but the bill succeeded, and Governor Bullock signed it on the same day. It provided that the tunnel should be of sufficient size for two tracks, and that one track should be laid under the contract; that $250,000 out of the $5,000,000 should be appropriated to pay all outstanding liabilities: that 20 per cent. of each amount due the contractors, the Messrs. Shanly, should be withheld until the tunnel should be finally completed, and that not more than $1,000,000 should be paid out of the treasury under the tunnel legislation of that year. The Shanly contract proves to have been a good one to both parties. The contractors introduced new and improved machinery into the work, and made great progress from month to month, save when the elements, in the shape of water and ice, interfered. But these obstacles were quickly

3,129 feet remained to be done this year.

The estimate of the Auditor in 1872 was that the cost to the State of the road and tunnel to March, 1874, would be $12,792,233. The aggregate payments thus far, including those under the Haupt & Co. contract, under State management, and since the Shanly contract, is $10,145,166.67. There remained to be paid to the Shanlys, October 1, $1,363,000, while the interest to March 1, 1874, will be $550,000. The cost of the approaches has been placed at $200,000. Adding to these figures premium moneys, &c., the whole cost of the tunnel to the State will be about $13,000,000.

It is unnecessary to add that Boston is peculiarly interested in the final disposition of the tunnel, feeling that it and the new route to the West should conduce to the future material prosperity of the city, inasmuch as the State cannot afford to spend millions of dollars for the benefit of outside interests.

THE HOOSAC TUNNEL.

THE LEGISLATIVE HISTORY OF 1862 AND 1863.

Nov 5. 1873

III.

THE CESSATION OF WORK BY HAUPT & CO.—THE STATE COMMITTED TO THE TUNNEL ENTERPRISE IN 1862—THE COMMISSIONERS AND THEIR REPORT—THE COMMISSIONERS ORDERED TO RESUME OPERATIONS.

After the abandonment of work on the Hoosac tunnel by Haupt & Co., on the 12th July, 1861, nothing more was done on either the road or the tunnel for a long time. The interval between the refusal of Colonel Whitwell, the State engineer, to certify to work done as desired by the contractors, and the meeting of the General Court of 1862, was occupied in a long, bitter and fruitless controversy between the engineer and Mr. Haupt. To this quarrel we have already sufficiently alluded. Governor Andrew gave a brief but comprehensive history of the situation in his annual address, and this part of that document, together with other matters,—petitions, memorials and remonstrances,—was referred to a special committee early in the session. This committee gave a long hearing to all parties interested, and late in March reported to the senate. This report was unanimous. It seemed to recognize the fact that the State must undertake the work of finishing the tunnel single-handed. It declared the course of the State engineer, which had been sustained by the attorney-general, the Hon. Dwight Foster, to have resulted from a misapprehension of the true intent of the legislature of 1860. The committee regarded the faith of the State as pledged to an investment of two million dollars, and inquired how the work had better be done in the future. No reason was discovered for taking it out of the hands of the corporation. The State had paid scrip which at par was worth $725,388 88,—the real outlay being some fifty thousand dollars more,—exclusive of interest. Of this $505,235 72 had been laid out on the road between Greenfield and the tunnel. That road could be completed for $200,000 more at the outside. The committee based one of its conclusions on the assumed fact that "no one "contemplates aid from the State to an extent ex- "ceeding two million dollars."

Accordingly the committee recommended the passage of a bill which provided that the State should pay all the bills for labor, etc., for completing the road east of the tunnel, to an amount not exceeding $195,000; the bills to be approved by the State engineer. That the State should pay at the rate of fifty dollars per lineal foot of the tunnel, divided between heading and completed tunnel as before, thirty dollars for a foot of the former and twenty dollars for a foot of the latter. The sum of $150,000 was to be allowed for past labor and expenses not yet settled. There was a provision for a sinking fund, and other clauses were intended to limit the expenditure to two millions, and to increase the security of the State, but as the bill never went beyond a second reading in the senate, and never reached the house, the details need not be mentioned.

This report excited most violent opposition. The Daily Advertiser called the proposition of the committee an "extraordinary bill," and argued persistently against it, although the war was then in full progress and excited the most lively interest. Numerous substitutes were proposed. The whole subject was discussed at great length in the Senate. We find in an old newspaper file a speech by the late Hon. Charles G. Loring, filling nearly eight long columns of close type, in opposition to the bill of the committee. There seems to be no doubt that then, as before and since, the tunnel project was most industriously lobbied, while there was hardly less influence of the same sort mustered on the other side. At length, on the 21st of April the protracted debate came to a close, and the committee's bill was lost by the casting vote of the president, ex-Governor Clifford. The question was on substituting a bill submitted by the Hon. William D. Swan of Dorchester. In the affirmative were ex-Lieutenant Governor Plunkett, the late Judge Chester I. Reed, Mr. Loring, Mr. Swan, and Mr. John C. Dodge of Cambridge; in the negative Mr. Daniel S. Richardson of the Vermont and Massachusetts road, the Hon. Alvah Crocker, and Mr. William D. Northend of Salem, among others. This vote was hailed as a victory by the opponents of the tunnel project. The bill

of Mr. Swan proposed that the State should stop where it was until the whole question should be reinvestigated. This proposition was indorsed by the Daily Advertiser as "excellent," and the passage of the bill was urged.

But the triumph of the opponents of the measure was short. The Swan bill was referred to a special committee, which reported in a day or two another bill which changed the situation somewhat. The first section of Mr. Swan's bill, providing for a board of commissioners to examine the whole question, was retained, but the rest of the bill was in the main founded on the substitute of Mr. Williams of Worcester. It provided that the State should at once take possession of the road east of the tunnel and proceed to finish it, to be run or leased as might be deemed best, and it further gave permission to the commissioners to continue the work on the tunnel, by contract or otherwise. This was not at all what the opponents of the enterprise had bargained for, but as the vote had previously been close, and as the new bill had the sanction of all the friends of the undertaking and of some who had opposed the committee's bill, opposition to it was hopeless. It passed the senate by a vote of thirty to seven on the 23d April, being supported by all those who had voted to substitute Mr. Swan's bill, except Mr. Dodge of Cambridge, and the president, who did not vote. The same afternoon the bill went to the house. At the forenoon session of the following day an amendment was carried limiting the entire expenditure under this and all previous acts to two million dollars. This was advocated chiefly by the Hon. Henry L. Pierce of Worcester, while the opposition was led by the Hon. Jonathan E. Field of Stockbridge. The vote on the amendment was 136 to 71. Further amendments were rejected, and the bill was ordered to a third reading at the same session by 137 to 51. The same afternoon it was taken up, verbally amended on motion of the Hon. Harvey Jewell, and passed to be engrossed without a count. The senate added another amendment, in which the house concurred, and the bill was signed by Governor Andrew on the 28th April.

At this point we cannot do better than quote from our own files the opinion of the Daily Advertiser at that time, as showing some of the grounds on which opposition was then made to the State's connection with the enterprise. We copy from two articles that appeared while the bill was going through the legislature on the 24th and 25th April:—

From the examination which we have been able to make of its provisions, we should have preferred to style it "an act providing for the more speedy depletion of the treasury and tax-payers of this Commonwealth."....It is a bill for the completion of the tunnel as well as the road, and is intended to commit the State fully to both....The ordinary safeguards of the treasury are also to be broken down in other ways besides the removal of all limit upon the expenditure of the money of the State....There is yet need of information to determine whether the work is practicable within any reasonable limits of time and expense. There is yet need of inquiry as to the extent to which the State, by assuming this undertaking, will finally involve itself with other impecunious corporations, with whom it will thus be brought into direct relations. It may be safely assumed that these points will be inquired into sharply and sternly when taxation begins to bite, and when it is realized that at this, the most unfavorable time in an entire generation, the Commonwealth has been recklessly launched upon a prodigal and perchance a profligate course of expenditure. It will be well that these questions should not be asked when it must be answered that it is too late to avert the mischief.

In referring to the passage of the bill by the house, which was commented upon as likely to excite surprise in the State, the Advertiser thus noticed the change of front in the senate, and the general result of the legislation secured:—

The forlorn hope who led in the attack upon the State treasury eagerly seized and skilfully improved their advantage with that excellent generalship in which a dozen years of constant warfare in this cause has made them adepts. They met but a slender obstacle in any strategy exhibited on the other side, and friends and enemies, in an undistinguishable crowd, finally joined in a grand rush on the resources of the Commonwealth....It is just to add, however, that upon the supposition that the State is to go on expending its money upon this enterprise, the present measure in one or two ways makes an essential improvement in the position of affairs. It takes the matter out of the hands of contractors and of their corporation, and places it where, under an executive like the present, the State can expect a satisfactory disposition of whatever it chooses to invest in the project. And the bill thus removes, we trust forever, one of the worst influences that has ever entered into our State affairs, and one that has long and notoriously destroyed the purity of State legislation.

We have deemed it important to give at length the history of the legislation of 1862, since it did, as the Daily Advertiser truly said, fully commit the State to the completion of the tunnel, at whatever cost, and since it was the basis of the action under which the State became the owner of and responsible for the success of the tunnel project. His Excellency Governor Andrew appointed as commissioners under the act Messrs. John W. Brooks, S. M. Felton and Alexander Holmes, who entered upon their labors in May 1862. On the 18th August the directors of the Troy and Greenfield road voted to surrender the property of the corporation to the State. This vote was ratified by the stockholders on the 2d September, and on the 4th of the same month the commissioners took peaceable possession of the property of the corporation in the name of the State. On the 13th October the president of the company executed a surrender to the State, and the firm of Herman Haupt & Co. assented to the possession of the State, and relinquished all right, title and interest in the road on the 23d December.

The report of the commissioners to the legislature of 1863 is an exceedingly valuable document. It contained a thorough examination of the whole subject from beginning to end, and from every possible point of view. But we can here give only the conclusions of the commissioners. They recommended that the tunnel should be built 22 feet wide at the grade line, 24 feet wide at the widest point, 21 feet high above the track, and that the roof should be circular. The total length as they proposed it would be 24,586 feet, a part at the west end being an open cut. They estimated the cost of finishing the road and tunnel, with interest to the time of completion, including the advances already made, at $5,719,330; and the time necessary, if a central shaft should be constructed, seven and a half years. It was also recommended that the work should be directly performed by the State. At this time the work already performed was as follows:—

From east end westward, heading.....2,394 feet
West shaft, sunk to grade..... 325 "

It was the universal judgment that the old working at the west end should be abandoned, and a new portal begun. The commissioners advised that the west end should be an open cut for nearly six hundred feet. The plans were subsequently changed, but for the present we need only know that the only part of the tunnel pierced was at the east end, and that it amounted to less than one-tenth of the smallest estimate of the entire length of the completed tunnel. It was, moreover, completed for only about 2100 feet, and that for only a single track.

The legislation of 1863 was of course based on the report of the commissioners. It was introduced by a report from the special committee on the 4th April. The bill authorized the commissioners under the act of 1862 to proceed to build the road and pierce the mountain, and appropriated $3,800,000 in addition to the unexpired balance of the previous appropriation, for the purpose. This bill was, according to the rule of the house, referred to the finance committee. Before that committee was ready to report, numerous remonstrances were presented against any further expenditure of the money of the State in this enterprise. After some days the finance committee reported, by Mr. Harris of Springfield, that "they "believe no action with reference to that enter-"prise is necessary or expedient at the present "time," and accordingly they recommended a reference of the whole subject to the next General Court.

The advice of the committee was not heeded. On the 17th April, the original bill was ordered to a third reading by 131 to 47. On the 20th, it was passed to be engrossed without a division. In the senate the bill was ordered to a third reading without a division, and was passed to be engrossed the next day—24 to 7. The debates this year were not long nor important. The policy of the State with reference to the tunnel enterprise was well settled, and opposition was useless. The persuasions of the lobby perhaps helped the measure, but aside from that there was a feeling that the tunnel ought to be built, and that as the State had fairly entered upon the task its own credit was involved in seeing the project carried through to full completion. It may be that this sentiment had something to do with the unusual silence of the newspaper press in 1863 on the subject, although neither then nor afterwards were the former active opponents of the enterprise convinced that the original adoption of the measure by the State was wise.

Meantime nothing had been done in the way of prosecuting the work since the abandonment of it by Haupt & Co. in 1861. Nor did the commissioners enter upon the work until the latter part of the year 1863. In August they gave receipts for certain instruments. Work was begun on the west approach in October, and during the remaining months of that year about $50,000 was expended in labor. The period of legislation was for a time interrupted, and the task passed into the hands of the State commissioners. The history of the ensuing five years while the enterprise was so prosecuted forms a long but interesting chapter, which must be postponed until another day; for the difficulties were by no means ended when the entire resources of the State were virtually committed to the success of this vast undertaking.

purchase the roads of the other parties in the line. Each of the methods has its advocates, and they all profess to desire the consummation of the best and wisest plan. The proposition for the State to take and run the line has some very strong advocates, and among these the Railroad Commissioners, but it can hardly be said that it meets with any considerable degree of public favor; and to say the least of it, it is not probable that this plan will be adopted by the Legislature; and it is equally uncertain what disposition will be made of the tunnel itself.

The second proposition for the union of the companies in the direct line—if it were a perfectly practicable plan and included the means necessary for the accomplishment of the great object in view,—would stand much stronger than it now does in the public mind and before the Legislature; but it is apparent that such a consolidation would be inefficient, and wholly unable to meet the necessary outlay for improvement, enlargement and extension of the lines, and utterly unable to provide the necessary terminal facilities at this end of the line, without which its success will be impossible. A consolidation of the Fitchburg road with the others, with a just regard to the interests of its stockholders, is deemed impossible.

The third proposition is for a consolidation of two strong companies, with authority to lease or purchase all the other parties having an interest in the line: this will consolidate the line as desired, place it under one management, and afford ample means for all extensions and improvements on the line and at either end of it. This combination will save the expenditure of a large sum of money by the Commonwealth or the Fitchburg Company, will secure efficient management of the line, and the possession of the best terminal facilities which Boston harbor can afford. No one doubts the ability of the Commonwealth to manage the line, if it be thought good policy for the State to engage in this kind of business, but the mass of the people think it had better be left in the hands of private corporations, as is the case with other large business matters. The advantages offered by the consolidation of the Fitchburg and Lowell lines are so great, that the proposition has gained strength every day that it has been before the public, and is undoubtedly the best means of obtaining what all parties desire—a competent, efficient and reliable line.

In addition to these considerations the consolidation proposed will avoid the most objectionable feature in the railroad system of Massachusetts—the half dozen railroad crossings in this city in the neighborhood of the Prison Point bridge, the importance of which the people of this city are well able to judge. No other feasible plan has ever been devised for the removal of this very objectionable feature. More than one thousand dangerous crossings, to say nothing of the detentions, per day will be avoided. To accomplish this great object the Fitchburg trains will run into the new Lowell station, the Eastern will occupy the present Fithburg station and the Maine will probably purchase the present Eastern. This accomplished and a through western line of commanding ability, with one or two lines of European steamers, who shall say that Boston is not on the high road to prosperity and greatness.

THE HOOSAC TUNNEL.

THE PROGRESS OF THE WORK.

AN OUTLINE OF THE HISTORY OF THE UNDERTAKING—THE DIMENSIONS OF THE TUNNEL—MODE OF WORK, &C.

From Our Own Correspondent.

NORTH ADAMS, Mass., Tuesday, Nov. 25, 1873.

The Hoosac Tunnel, on which Massachusetts has expended such vast sums of money, is certainly approaching completion. At the close of work today the workmen at the west end were but nineteen feet from those approaching them from the central shaft; and as there is a completed tunnel from the shaft to the east end, this is equivalent to saying that only nineteen feet remain of the barrier which the Hoosac Mountain has always heretofore presented to commerce between the East and the West. One may form such an opinion as one pleases about the probable satisfaction or otherwise of the high hopes entertained by some that the tunnel is to divert a large share of the Western business from New-York to Boston; but in any case it must be admitted that the Hoosac Tunnel is one of the greatest engineering works of the age—second, as a tunnel, only to that at Mont Cenis. If I am correct in a rough calculation, the total amount of rock removed by blasting in the entire work will be not very far from 412,000 cubic yards, or an amount sufficient to make a cubic pile of perfectly solid masonry with a side of 225 feet. It has cost, principal and interest, more than ten million dollars, and it is already fifteen years since work was begun, though the enterprise has not been steadily prosecuted from the first, nor always energetically prosecuted when it was in progress.

The tunnel has a length of 25,031 feet. Its dimensions are 24 feet in width and 20 feet in height above the railroad track when laid, with a central covered drain two feet square. Its form is a rough semi-circle, the variation being such as to give greater height at the sides than could be given by a true semi-circle. There is a shaft 12,837 feet from the east, and 12,194 feet from the west end, with a conjugate diameter of 27 feet, and a transverse diameter of 15 feet, this shaft being 1,030 feet in depth. Owing to the poor character of the rock near the west end, there is a shaft about half a mile from the end, and 315 feet deep, through which most of the work of this section has been done.

A full history of the tunnel would require a volume, but a few dates may be given. The railroad of which this tunnel forms a part was chartered in 1848. The first application for State aid was made in 1851. It was granted in 1854. The first work done on the tunnel was in 1858, a contract having been made between Herman Haupt & Co., and the Troy and Greenfield Railroad Company. A dispute with the State Engineer put an end to work under this contract in July, 1861. In 1862 the Legislature appointed Commissioners to examine the whole question. On a favorable report by them, made to the Legislature of 1863, the State in that year took possession of the road and tunnel under a breach of conditions, appropriated more money to carry on the work, and directed the Commissioners to proceed. The enterprise was conducted by the Commonwealth until 1868, when a new appropriation, this time of $5,000,000, was made, and the Governor and Council were directed to contract with responsible parties for the entire remaining portion. Under this act a contract was made with Walter and Francis Shanly, of Canada, who begun operations in the Spring of 1869, and have carried the work thus far very nearly to completion. It is intended that the last heading work shall be done on Thursday, the 27th inst., and the tunnel will be completely open for traffic in July, 1874.

Each point of working has some peculiar interest. The most fascinating of all was the central shaft before the junction with the east end was made. It was interesting to stand leaning over the railing about the shaft and see the miners descend. The watchful engineer, upon whose care and skill depended scores of lives, was himself a study. Those who descended went down into a pit from which there was but one way to escape, and any accident to machinery implied destruction to them all. The gradual fading out of sight of the lamps that flared so brightly at the surface was interesting to see. But all emotions were intensified if one were himself in the "cage" or elevator. To feel oneself dropping at the rate of fifteen feet a second, with something to stand upon, is almost the same as dropping with nothing beneath, and it cannot be called a pleasurable sensation at first. The drip and spatter of water upon the face and into the neck by no means take away the sense of discomfort. And when at the bottom of the shaft the thought recurs that there is but a wire rope between you and certain death, the timid visitor cares but little for the wonders of the tunnel.

But all this is now passed, at least as soon as the descent is made. For nearly a year those who might have been so unfortunate as to find their escape upward cut off, could walk leisurely for a couple of miles or more out to the open daylight at the east end, and if that did not happen to be their destination, it was certainly preferable to death by drowning. The working from the shaft was similar to that at all other points, and need not be here described.

The peculiarity of the west end was the soft rock, which it was necessary to arch with brick for a quarter of a mile or more, and at the east end there is the great system of compressors, to furnish air for power and ventilation. It is probably well known that compressed air has long been used in the Hoosac Tunnel as a motor, but few who have not seen it understand the method of compression or of application. At the west end, and at the central shaft, the compressors were driven by steam; at the east end by water power from the famous Deerfield dam. The method of application varies greatly, but the principle is the same. A cylinder has at one end an aperture closed with a valve that opens outward into an iron pipe. A piston is inserted in the other end, and in this piston there is a system of valves opening into the cylinder. What happens is this: The piston being at one end, and the cylinder full of air, the descending rod is thrust into the cylinder, forcing open the large valve, and impelling the air into the pipe. The reverse motion opens the piston valves and lets in air from without, while the pipe valve is closed by an enormous atmospheric pressure. A jet of water is thrown into the cylinder at each outward motion of the cylinder, to cool the air, which is, of course, greatly heated by compression. The elastic power of the air is communicated, almost undiminished, to a great distance. In the eight-inch pipe leading from the east end to the heading beyond the central shaft, the pressure diminishes only sixty pounds from the sixty-five pounds pressure in the compressing works. It is in contemplation, as soon as a junction is made, to run all the drills in the tunnel from the east-end compressing works.

The Burleigh rock-drilling machine is a clumsy-looking affair, and its power would never be inferred from a casual examination of it. A single copy of THE TIMES would enwrap it completely. Yet when fed with compressed air it is capable of great things. It causes a drill to strike the rock with tremendous force several times a second, and, what is more, turns the drill slightly after each blow. The points of the drill are crossed, and thus a clean circular hole is made with great rapidity. I believe that this machine is in operation in some of the up-town public works in New-York.

The explosive chiefly used in the tunnel is nitro-glycerine. At one point only has gunpowder been adhered to in preference to newer, and in most cases, better agents. Glycerine, as the miners call it, is made not very far from the west shaft of the tunnel. The explosive is put in long, cylindrical cans, about an inch in diameter, and sometimes three feet long. It is measured by the inch. The miners say that their blast was so many inches of glycerine. It weighs about an ounce to an inch. The end of the can is closed by an exploder, a cork which has two wires ending in a torpedo, which is inserted in the nitro-glycerine. The wires of the exploders are connected with two wires leading to an electric battery, and when the battery is set in operation the explosion follows.

A trip through the finished part of the tunnel is full of interest. Here one wonders at the extreme sloppiness of the floor, the water standing six or eight inches deep. There one is struck at the unusual dryness of the rock, and of the entire tunnel, in fact, for long distances. There is the excitement of hearing a blast at a distance, when you feel that you, at all events, are perfectly safe. Again, you are interested in watching the point of light which marks the opening, gradually narrowing and growing dimmer, and finally vanishing. Once more your attention is attracted by the numerous lights at a distance, seeing them dance and cross each other. By and by you hear the sound of voices strangely reverberating in this contracted space, and presently the sound of the drills strikes your ear. The most interesting, and yet the most distressing, of all the sensations in this place of wonders is the one you experience when in the immediate neighborhood of the heading drills. It is Vulcan at work in a cave. It is a collection of a thousand weaving rooms in the space occupied by one. It is everything that is discordant and deafening in sound. Shout in your neighbor's ear, and he will not hear you in this dismal cavern while the drills are at work. There will be no opportunity now for any one to come up here to prove the truth of this account of the frightful din, for on Thursday at 2 o'clock the last heading blast will be discharged. To-morrow a single blast will reduce the distance between the two sets of workmen to eleven feet. There is then to be bored a long hole directly through from one heading to the other, and a set of eight-foot holes on the central shaft side, to correspond with others already drilled from the west end working. Both sets will be charged; a connection between the two will be made by means of the long hole just mentioned, and the entire system discharged by a single turn of the battery in the central-shaft end. The explosion will be terrific, if one may judge from the experience of last year when the other junction was made.

Gazette

BOSTON, SUNDAY MORNING, JULY 5.

—The magnificent new iron bridge over the Connecticut river at Montague on the Vermont and Massachusetts divison of the Fitchburg railroad is about completed and will be one of the finest structures of the kind in New England. Forty years has seen wonders on this one-time single track road, and poorly constructed at that. The old style covered bridges which crossed the Miller's river every few miles, and which were a terror to passengers, have been replaced with light but substantial structures. The Ashburnham grade, which seemed like climbing up hill, has been so reconstructed under the Fitchburg management that a passenger on the express train hardly realizes that he is travelling eleven miles on a continuous up grade of 60 feet to the mile. The doing away with the old "turn about" at Ashburnham which puzzled strangers so much is another great improvement. But the most marked result following the location of the Vermont & Massachusetts railroad is the increase in population and valuation of the towns along the line. When the original survey was made, Baldwinsville had but two or three houses, Royalston had about as many, Athol had a magnificent water power but the population was on the hill; Orange had a few scattered houses on the flat and was principally known as the place where the first Yankee stamp puller was invented and put in practical use. Wendell was a small hamlet with a single church, Erving's Grant, or Griswold's plantation, as it was facetiously called in 1853 from the fact that the late Hon. Whiting Griswold could not be elected from his own town Greenfield to the State convention and therefore begged the suffrages of the Ervingites, was then proud of a saw mill, a chair factory and a pail factory. Grout's Corner, now Miller's Falls, was only known because old Grout kept the best stage house between Bolton and Greenfield on the old Albany route. Now mark the change. Gardiner and Templeton, not mentioned above, because their status was well assured at that time, have increased immensely. The Boston, Barre & Gardner railroad passes through the former. Templeton has increased its business importance fourfold. Baldwinsville is the point of intersection for the Ware River railroad, now a part of the Boston & Albany system and about which so much was said in that famous investigation when the State was supposed to have some voice in the management of a road in which it was a stockholder to the amount of five millions; and the town is now a flourishing village. Royalston "on the line" is densely populated and Athol is one of the largest and most flourishing towns of Worcester County north and in the matter of population is getting good headway on Fitchburg and within the next decade will, if its inhabitants are not wise enough to reject it, have a city charter. Orange, the first town on the line, in Franklin County, has made even more rapid strides, in population, wealth, manufactures and importance. Wendell and Erving are both keeping up an advance, but not with the same rapid pace, while Miller's Falls being the junction for the New London and Northern and the Brattleboro division of the Central Vermont or Rutland railroad is destined to be one of the most important manufacturing points in Western Massachusetts. The greatest outgrowth however on the Vermont & Massachusetts is Turner's Falls, which forty years ago contained but a few tumble down houses and a splendid natural water power and had a celebrity for the bird tracks and the fern impressions found in the red sandstone. This whole property was offered to the parties who afterwards formed the Essex Company at Lawrence. A few thousand dollars difference broke up the negotiation and Lawrence was selected. Years later the property was offered by the late Wendell T. Davis of Greenfield for $16,000. It could hardly be bought to-day for as many millions. It is, possibly, the best improved water power in New England. All this has been developed by the Vermont & Massachusetts railroad under the Fitchburg railroad management.

HOOSAC TUNNEL VISITORS.

The Legislative Excursion Party Passes Through—Courteous Reception at North Adams—Legislators Serenaded. 1877

[Special Dispatch to the Boston Herald.]

NORTH ADAMS, Mass., March 23. The legislative excursion party, consisting of 190 House members, railroad men and others, which left Boston at 8:30 A. M. today, arrived at North Adams at 1:10 P. M. The afternoon was spent in visiting the Tunnel and in an excursion to the Vermont line. The examination of the Tunnel was made on a train of flat cars, illuminated by locomotive headlights and torches. Over one hour was consumed in going through the five miles bore under the Hoosac Mountain. The party was accompanied by Manager Prescott of the Tunnel, Superintendents Adams and Comee of the Fitchburg and Troy & Greenfield roads, ex-Postmaster Burt, Wm. Wheildon, and several engineers; and the citizens of North Adams were profuse in courtesies and attentions to the party. In the evening the North Adams Band serenaded the legislators at their several hotels. Contractor Shanly was with the party, and won many legislators to favor his claim. There was no attempt made at lobbying by any one. The unanimous agreement was that the Tunnel cost too much, and is too big an engineering achievement to be given away. The party will start on its return to Boston at 8:30 A. M. tomorrow.

Boston Daily Globe.

THURSDAY MORNING, JANUARY 1, 1874.

THE TUNNEL ROUTE.

The action of the special meeting of the stockholders of the Fitchburg Railroad corporation, yesterday, in ratifying the lease of the Vermont and Massachusetts Railroad settles one question at least in connection with the Hoosac Tunnel. By the terms of the lease, the Fitchburg Railroad will have control of the Vermont and Massachusetts road and its branches for the period of nine hundred and ninety-nine years, and is to pay upon the capital of the latter-named road four per cent. for the first and second years, five per cent. for the third and fourth, and six per cent. thereafter for the time of lease. The terms of the consolidation are regarded as eminently satisfactory to all concerned, and no doubt the arrangement will prove a financial success, as the two lines can now be operated more economically than before. The public will be a great gainer. In addition to all this, the consolidated route will give the Fitchburg Railroad control of the shortest route to the Hoosac Tunnel. The distance from Boston to Fitchburg is fifty miles, and from thence to the Hoosac Tunnel, over the Vermont and Massachusetts road, eighty-six miles, making a total of one hundred and thirty-one miles. The consolidation of the two roads has been made not only with a view to simplifying the tunnel question, but to place Boston in direct and closer connection with Chicago, on an air line, including a distance of only 972 miles. This will be accomplished upon the completion of the Canada Southern road, the line referred to in the Buffalo letter in THE GLOBE of yesterday, which is expected to be open for business about the time the Tunnel route is opened.

HOOSAC TUNNEL.

The Question of its Control—The Stockholders of the Fitchburg Railroad Company Vote to Lease the Vermont and Massachusetts Road.

The stockholders of the Fitchburg Railroad held a special meeting, yesterday, beginning at 11 o'clock A. M., at the station on Causeway street. The object of the meeting was to see if the stockholders would authorize the directors to take a lease of the Vermont and Massachusetts Railroad and its branches for nine hundred and ninety-nine years and to act on the terms thereof. At the time mentioned, the President of the corporation, William B. Stearns, called the meeting to order, after which he read the following, which is signed by Messrs. Welch, Gill, French and Murdock:

"At the last annual meeting of the Fitchburg Railroad Company, a vote was passed for the appointment of a committee of the stockholders to act with the directors of the Fitchburg Railroad Company in negotiating a lease of the Vermont and Massachusetts Railroad, or in effecting a consolidation of the railroads of the two companies, etc. The committee were duly appointed, and, in concert with the directors of the Fitchburg Railroad Company, have arranged for a lease of the Vermont and Massachusetts Railroad, for the term of nine hundred and ninety-nine years, at a rent of four per cent. a year for the first two years, at five per cent. a year for the third and fourth years, and for six per cent. a year for the residue of the term. Your committee are satisfied that the terms are equitable and just,—that the lease will reduce the cost of running, and prove beneficial to both parties. We take this means to apprise you of the result of the negotiations, and to inform you that a meeting of the Fitchburg Railroad Company, for the ratification of the lease, will be held at the passenger station of that company, on Causeway street, Boston, at 11 o'clock A. M., on Wednesday, December 31, 1873, and to request you to attend the meeting in person, or by proxy. If you have no one who can represent you at this meeting, will you fill and sign the accompanying proxy, and address it to either of the undersigned members of the committee? he will see that you are represented, and your wishes carried out. Do not fail to attend, either in person or by proxy, as in order to avoid any question arising under the statute authorizing the lease, it is necessary that a majority in interest of the stockholders approve the same. The directors of the company approve the lease, but are precluded by law from asking proxies or from taking the same."

President Stearns then read the following:

"In pursuance of the vote of the stockholders at the last annual meeting in reference to the effecting a lease of, or a consolidation with, the Vermont and Massachusetts Railroad, etc., the directors have devoted much consideration to the subject in order to secure such action as would best promote your interests. They appointed a committee of the stockholders to act with them in the matter, as requested by the vote. The result is an agreement for a lease of the Vermont and Massachusetts Railroad to this corporation for a term of nine hundred and ninety-nine years, paying that company four per cent. per annum upon its capital for the first two years, five per cent. per annum for the second two years, and six per cent. thereafter. The directors are satisfied that such a lease will be in every way of great advantage to the interests of the stockholders of this corporation, while it is also highly beneficial to the Vermont and Massachusetts Railroad Company. They, therefore, recommend to the stockholders the taking the action required by law to consummate the lease, and for this purpose have ordered a special meeting to be held on the 31st inst., at which all stockholders are especially requested to be present. The importance of each stockholder's being personally present, or represented by proxy, arises from the fact that it is suggested that the law makes the approval of a majority in interest of all the stockholders necessary to the the validity of the lease, and the directors desire to avoid any future question in the matter."

The lease provides that the Fitchburg Railroad shall assume all the debts and control all the property of the Vermont and Massachusetts Railroad. It gives the Fitchburg Railroad absolute control of the shortest and best route to the tunnel, and enables us to do our business more rapidly, and with advantage, not only to ourselves, but to the public. Mr. Charles A. Welch of Boston offered the following vote:

Whereas, the directors of the Vermont and Massachusetts Railroad Company and the directors of the Fitchburg Railroad Company, whose roads enter upon and connect with each other, have agreed that the first named company shall make a lease of its road to said last named company, and that such lease shall be for the term of 999 years from January 1, 1874, and that in addition to the payment of certain taxes, assessments and otherpayments and liabilities to be assumed and fulfilled by the lessees under the said lease, the rent of such road to be paid half yearly by the said lessees shall be a certain percentage upon the capital stock issued by the Vermont and Massachusetts Railroad Company, viz.: Four per cent. per year thereon for the first two years of said term; five per cent. per year for the two next years of the said term; and six per cent. a year thereon for the residue of said term. And, whereas, the said directors have agreed upon all the terms of said lease, which are fully set forth in the draft of a lease this day submitted to the stockholders of the Fitchburg Railroad Company;

Now, therefore, we, the stockholders of the Fitchburg Railroad Company, do sanction and confirm such agreement, and do hereby approve of the terms of said lease, and do approve, ratify and confirm such lease itself, and hereby authorize the directors of the Fitchburg Railroad Company, in its behalf, either by their committee or collectively, to execute the same and to affix thereto the signature and corporate seal of the Fitchburg Railroad Company.

Mr. Needham of Groton hoped the vote would be adopted, and moved the selection of a committee to receive, sort and count votes. The motion was passed, and the chair selected the following gentlemen to serve on that committee: Daniel Needham, W. W. Wheildon, F. S. Pratt, Charles H. Waters, T. K. Ware, and Daniel French. Balloting was begun at 11½ o'clock.

At 1 o'clock, Colonel Needham announced that a sufficient number of ballots had been received to carry the vote, and moved an adjournment until next Wednesday, but the motion was withdrawn and the committee retired.

At 2½ o'clock, the committee returned, and reported, through Colonel Needham, as follows:

The committee appointed to receive and count the votes of stockholders of the Fitchburg Railroad, upon the question of authorizing the directors to lease the Vermont and Massachusetts Railroad for nine hundred and ninety-nine years, have attended to their duty, and submit the following report:

In favor of authorizing the directors.....24,741

Against.....

EASTERN AND MAINE CENTRAL RAILROAD.—Station on Causeway, foot of Friend street. Pullman Cars on night trains are run through to Portland. Berths in them may be secured at 134 Washington street. On and after Monday, Dec. 8, 1873, trains leave BOSTON for Concord and Boston at 5.30, 7.30 and 10.15 A. M.; and 1.45 P.M.

H. E. CHAMBERLIN, Supt.

CONCORD RAILROAD.—After Dec. 1, 1873, trains leave Boston from the depot of the Boston and Lowell Railroad for Concord, N. H., and Upper Railroads, at 7.30 A. M.; 12 M.; 5 and 6 (Exp.) P. M. Stages at Concord for the North. At 8.30 A. M. for Hanover and St. John at 8.30 A. M.; 12 M. (Pullman Sleeping Cars on night train.) Manchester, and points on the Grand Trunk Railway, 7.30 A.M., train as far as Portland.) For Montreal and Quebec, 12.30 P.M., on Mondays for HALIFAX (by boat from Portland), on Saturdays 8.30 A.M. (Pullman Parlor Cars on night train.) Returning will leave Montreal at 9.30 A.M.; Quebec at 8.30 A.M.; Northumberland at 7.15 A.M., and arrive at Boston at 7.30 P.M.

JOSEPH A. DODGE, Sup't.

General Agency, 5 State street, Boston.

THE HOOSAC TUNNEL.

Meeting of the Stockholders of the Fitchburg Railroad—The Question of Consolidation.

A special meeting of the stockholders of the Fitchburg R. R. Co. was held at the depot of that road this forenoon, the object being to act upon a vote of the directors in favor of leasing the Vermont & Massachusetts R. R. for nine hundred and ninety-nine years. By this lease the company would control the quickest route to the Hoosac tunnel, and be in a position to cope with other consolidations and routes leading into and towards the tunnel.

The meeting was called to order at eleven o'clock by Mr. President William B. Stearns, who read the call for the meeting, and stated its objects. He then read the subjoined address, which is signed by Messrs. Welch, Gill, French and Murdock:

"At the last annual meeting of the Fitchburg Railroad Company, a vote was passed for the appointment of a committee of the stockholders to act with the Directors of the Fitchburg Railroad Company in negotiating a lease of the Vermont & Massachusetts Railroad, or in effecting a consolidation of the railroads of the two companies, etc. The committee were duly appointed, and in concert with the directors of the Fitchburg Railroad Company, have arranged for a lease of the Vermont & Massachusetts Railroad, for the term of nine hundred and ninety-nine years, at a rent of four per cent. a year for the first two years, at five per cent. a year for the third and fourth years, and for six per cent. a year for the residue of the term. Your committee are satisfied that the terms are equitable and just,—that the lease will reduce the cost of running, and prove beneficial to both parties. We take this means to apprise you of the result of the negotiations, and to inform you that a meeting of the Fitchburg Railroad Company, for the ratification of the lease, will be held at the passenger station of that company, on Causeway street, Boston, at 11 o'clock A. M., on Wednesday, December 31, 1873, and to request you to attend the meeting in person, or by proxy. If you have no one who can represent you at this meeting, will you fill and sign the accompanying proxy, and address it to either of the undersigned members of the committee; he will see that you are represented and your wishes carried out. Do not fail to attend, either in person or by proxy, as in order to avoid any question arising under the statute authorizing the lease, it is necessary that a majority in interest of the stockholders approve the same. The directors of the company approve the lease, but are precluded by law from asking proxies or from taking the same."

Following which, he read the subjoined address of the directors.

"In pursuance of the vote of the stockholders at the last annual meeting in reference to the effecting a lease of, or a consolidation with the Vermont & Massachusetts Railroad, etc., the directors have devoted much consideration to the subject in order to secure such action as would best promote your interests. They appointed a committee of the stockholders to act with them in the matter, as requested by the vote. The result is an agreement for a lease of the Vermont & Massachusetts Railroad to this corporation for a term of nine hundred and ninety-nine years, paying that company four per cent. per annum upon its capital for the first two years, five per cent. per annum for the second two years, and six per cent. thereafter. The directors are satisfied that such a lease will be in every way of great advantage to the interests of the stockholders of this corporation, while it is also highly beneficial to the Vermont & Massachusetts Railroad Company. They therefore recommend to the stockholders the taking the action required by law to consummate the lease, and for this purpose have ordered a special meeting to be held on the 31st inst., at which all stockholders are especially requested to be present. The importance of each stockholder's being personally present, or represented by proxy, arises from the fact that it is suggested that the law makes the approval of a majority in interest of all the stockholders necessary to the validity of the lease, and the directors desire to avoid any future question in the matter."

The lease provides that the Fitchburg R. R. shall assume all the debts and control all the property of the V. & M. R. R. It gives the Fitchburg R. R. absolute control of the shortest and best route to the tunnel, and enables us to do our business more rapidly, and with advantage not only to ourselves but to the public.

Mr. Robert Codman, of Boston, then read the lease agreed upon by the directors.

Mr. Charles A. Welch, of Boston, offered the following vote:

Whereas the Directors of the Vermont & Massachusetts R. R. Co. and the Directors of the Fitchburg R. R. Co., whose roads enter upon and connect with each other, have agreed that the first named company shall make a lease of its road to said last named company, and that such lease shall be for the term of 999 years from Jan. 1st, 1874, and that in addition to the payment of certain taxes, assessments, and other payments and liabilities to be assumed and fulfilled by the lessees under the said lease, the rent of such road to be paid half yearly by the said lessees shall be a certain percentage upon the capital stock issued by the Vermont & Massachusetts R. R. Co., viz: Four per cent. per year thereon for the first two years of said term; five per cent. per year for the two next years of the said term; and six per cent. a year thereon for the residue of said term. And, whereas the said directors have agreed upon all the terms of said lease, which are fully set forth in the draft of a lease this day submitted to the stockholders of the Fitchburg R. R. Co.

Now, therefore, we, the stockholders of the Fitchburg R. R. Co., do sanction and confirm such agreement, and do hereby approve of the terms of said lease, and do approve, ratify and confirm such lease itself, and hereby authorize the Directors of the Fitchburg R. R. Co., in its behalf, either by their committee or collectively, to execute the same and to affix thereto the signature and corporate seal of the Fitchburg R. R. Co.

Mr. Needham, of Groton, hoped the vote would be adopted, and moved the selection of a committee to receive, sort and count votes. The motion was passed, and

The Chair selected the following gentlemen to serve on that committee: Daniel Needham, W. W. Wheildon, F. S. Pratt, Charles H. Waters, T. K. Ware, and Daniel French. Balloting then, at half past eleven o'clock, was commenced.

At one o'clock, Col. Needham announced that a sufficient number of ballots had been received to carry the vote, and moved an adjournment until next Wednesday, but the motion was withdrawn and the committe retired.

FITCHBURG RAILWAY STATION, CAUSEWAY STREET,

BOSTON, MASS., Dec. 20, 1873.

To the Stockholders of the Fitchburg Railroad Company: —

At the last annual meeting of the Fitchburg Railroad Company, a vote was passed for the appointment of a committee of the stockholders to act with the Directors of the Fitchburg Railroad Company in negotiating a lease of the Vermont and Massachusetts Railroad, or in effecting a consolidation of the railroads of the two companies, etc. The committee were duly appointed, and in concert with the directors of the Fitchburg Railroad Company, have arranged for a lease of the Vermont and Massachusetts Railroad, for the term of nine hundred and ninety-nine years, at a rent of four per cent a year for the first two years, at five per cent a year for the third and fourth years, and for six per cent a year for the residue of the term. Your committee are satisfied that the terms are equitable and just — that the lease will reduce the cost of running, and prove beneficial to both parties.

We take this means to apprise you of the result of the negotiations, and to inform you that a meeting of the Fitchburg Railroad Company, for the ratification of the lease, will be held at the passenger station of that company, on Causeway Street, Boston, at eleven o'clock A. M., on Wednesday, December 31, 1873, and to request you to attend the meeting in person, or by proxy. If you have no one who can represent you at this meeting, will you fill and sign the accompanying proxy, and address it to either of the undersigned members of the committee; he will see that you are represented and your wishes carried out.

Do not fail to attend, either in person or by proxy, as in order to avoid any question arising under the statute authorizing the lease, it is necessary that a majority in interest of the stockholders approve the same. The directors of the company approve the lease, but are precluded by law from asking proxies or from taking the same.

CHARLES A. WELCH, Boston,
G. W. GILL, Worcester,
DANIEL FRENCH, Waltham,
E. MURDOCK, JR., Winchendon,
Members of the Committee.

OFFICE OF THE FITCHBURG RAILROAD COMPANY,
BOSTON, Dec. 20, 1873.

To the Stockholders of the Fitchburg Railroad Company: —

In pursuance of the vote of the stockholders at the last annual meeting in reference to the effecting a lease of, or a consolidation with the Vermont and Massachusetts Railroad, etc., the directors have devoted much consideration to the subject in order to secure such action as would best promote your interests. They appointed a committee of the stockholders to act with them in the matter, as requested by the vote. The result is an agreement for a lease of the Vermont and Massachusetts Railroad to this corporation for a term of nine hundred and ninety-nine years, paying that company four per cent per annum upon its capital for the first two years, five per cent per annum for the second two years, and six per cent thereafter.

The directors are satisfied that such a lease will be in every way of great advantage to the interests of the stockholders of this corporation, while it is also highly beneficial to the Vermont and Massachusetts Railroad Company. They therefore recommend to the stockholders the taking the action required by law to consummate the lease, and for this purpose have ordered a special meeting to be held on the 31st inst., at which all stockholders are especially requested to be present. The importance of each stockholder's being personally present, or represented by proxy, arises from the fact that it is suggested that the law makes the approval of a majority in interest of all the stockholders necessary to the validity of the lease, and the directors desire to avoid any future question in the matter.

WM. B. STEARNS,
ALVAH CROCKER,
P. B. BRIGHAM,
SETH BEMIS,
ROBERT CODMAN,
Directors of Fitchburg Railroad.

CONSOLIDATION.

THE FITCHBURG RAILROAD CORPORATION LEASES THE VERMONT AND MASSACHUSETTS RAILROAD FOR NINE HUNDRED AND NINETY-NINE YEARS.

The Vote by which the Lease was Ratified.

REPORTED FOR THE BOSTON JOURNAL.

A special meeting of the Fitchburg Railroad corporation was holden on Wednesday in the passenger station of the company, on Causeway street, at 11 o'clock, President Wm. B. Stearns in the chair. The object of the call was to see if the stockholders will authorize the directors to take a lease of the Vermont and Massachusetts Railroad and its branches for nine hundred and ninety-nine years and to act on the terms thereof.

President Stearns, after reading a lengthy call, of which the foregoing is the substance, gave the reasons by which the Committee of Conference appointed at the last annual meeting of the stockholders of the company had come to a decision to recommend such lease for the ratification of the stockholders. By the terms of the lease the Fitchburg Railroad is to pay upon the capital of the Vermont and Massachusetts Railroad Company 4 per cent. for the first and the second year, 5 per cent. for the third and the fourth, and 6 per cent. thereafter for the time of lease. He claimed that a lease of the Vermont and Massachusetts would give to the Fitchburg control of the shortest route to the Hoosac Tunnel; that the two lines could be operated more cheaply than now; that the entire business would be increased, and the public would also be the gainer through this. The Fitchburg would assume all debts and liabilities and take the rolling stock, cash stock and other assets, making a full transfer to their road.

The lease, which meets the approval of the Committee of Conference and the Board of Directors, was then read by Mr. Robert Codman of Boston, the reader standing in the Superintendent's room and speaking loud enough to be heard in the corridors and connected rooms, which halls and apartments were filled with stockholders of both roads.

Mr. Charles A. Welch of Boston, at the close of the reading read a formal vote which approved of the terms of the lease, and which, if adopted, would make a transfer of the Vermont and Massachusetts to the Fitchburg. The vote read: Whereas the Directors of the Vermont and Massachusetts Railroad Company and the Directors of the Fitchburg Railroad Company, whose roads enter upon and connect with each other, have agreed that the first named company shall make a lease of its road to the last named company, and that such lease shall be for the term of nine hundred and ninety-nine years from the first day of January, A. D. 1873, and that in addition to the payment of certain taxes, assessments and other payments to be made and liabilities to be assumed and fulfilled by the lessees under said lease, the rent of such road to be paid half-yearly by said lessees shall be a certain percentage upon the capital stock issued by the said Vermont and Massachusetts Railroad Company, viz.: Four per cent. per year thereon for the first two years of said time, five per cent. per year thereon for the two next years of said term, and six per cent. per year thereon for the residue of said term, and whereas the said directors have agreed upon the terms of said lease, which are fully set forth in the drafts of the lease this day submitted to the stockholders of the Fitchburg Railroad Company.

Now, therefore, we, the stockholders of the Fitchburg Railroad Company do sanction and confirm such agreement, and do hereby approve the terms of said lease, and do approve, ratify and confirm such lease itself, and hereby authorize the Directors of the Fitchburg Railroad Company in its behalf, either by their committee or collectively, to execute the same and affix thereto the signature and common seal of the Fitchbury Railroad Company.

Col. Daniel Needham of Groton moved that a stockholders' vote be taken on the question, and that a committee of eight be appointed to collect, sort and count votes. The committee was appointed, to consist of six, Messrs. Dan'l Needham, W. W. Wheildon, F. S. Pratt, Charles H. Waters, T. K. Ware, Daniel French, and Col. Needham was made Chairman of it.

The committee through their chairman reported at a quarter to one o'clock that a large enough vote had been polled to ratify the lease of the Vermont and Massachusetts by the Fitchburg Railroad, the vote exceeding 24,000 votes, and the committee were desirous of making this partial report, and having the polls remain open for an adjourned meeting.

Wednesday, the 7th of January, was named, and finally settled upon for adjournment, but when the motion was made Mr. Welch of Boston asked that the same be withdrawn and the whole matter settled now.

The delay was partly asked because the committee had said there was considerable for them to do; they wanted to go over the vote more methodically and carefully.

The motion of Col. Needham was withdrawn and the committee again retired to prosecute their work.

There had been enough votes to fully ratify the action approved by the Conference Committee and the Directors and to adopt the expression made in Mr. Welch's formal vote. It was required that more than 20,000 of the 40,000 shares should indorse the consolidation, and this was fully complied with in the present vote.

The only object the committee had in keeping the polls open till an adjourned meeting on Wednesday next was that all the stockholders should be given the fullest opportunity to vote on the question.

The reason Mr. Welch desired that the work be completed at this meeting was to prevent the Company's taking any risk in the matter, regarding the legality of action at an adjourned meeting, when the matter could be fully settled in this.

In pursuance with the suggestion of Mr. Welch the committee to receive and count the votes again retired and were occupied till about half-past two o'clock in observing the detail of the ballot. At that time they reported through Col. Needham as follows:

The committee appointed to receive and count the votes of stockholders of the Fitchburg Railroad upon the question of authorizing the Directors to lease the Vermont and Massachusetts Railroad for nine hundred and ninety-nine years, have attended to their duty and submit the following report:

In favor of authorizing the Directors....24,741
Against..... 52

(Signed) DANIEL NEEDHAM,
DANIEL FRENCH,
WM. E. WELCH,
WM. W. WHEILDON,
FRANKLIN. S. PRATT.

Boston, Dec. 31, 1873.

Upon the report being read it was accepted and adopted, and the meeting finally adjourned.

Daily Evening Traveller.

THURSDAY, MAY 7, 1874.

[For the Traveller.]

The Hoosac Tunnel Line.

The recent excursion of the two committees of the legislature, having the Hoosac tunnel and the Hoosac tunnel line in charge, we are inclined to think had a more practical object in view, and possibly the party were more practical in their observations than some of the committees of former years. They certainly had a very favorable opportunity, notwithstanding the storm which preceded their visit and that which attended it, to examine the line, its construction, the proposed changes, its present capacity and fitness for a largely increased traffic and the possibilities of improvement.

Besides the opportunities afforded by frequent stoppings, the committees were furnished with the recent report of the special engineer, appointed under an act of the legislature of 1873, to make such surveys and investigations as the Governor and Council might think necessary "to enable them to report to the next General Court such plan as they think best for the interests of the Commonwealth to adopt in reference to such tunnel and the Troy & Greenfield Railroad, and the probable cost of improving the same and completing them for railroad service," accompanied by a large map of the route and the proposed changes.

Mr. Edward S. Philbrick, the engineer employed, characterizes the Troy & Greenfield line by saying that, "aside from the doubtful merits of the general location, its details were carried out by the original company on a plan which was more commensurate with their means of payment than likely to produce work suitable for future use." After referring to the damages suffered by the road in the freshet of 1869 and their repair, by which the road was made better than it ever was before, Mr. Philbrick says:

During the past autumn I have inspected, on foot, every rod of the line from Greenfield to the tunnel, not only for the purpose of forming an opinion of the present condition of the road, its safety and repair, but to study in detail such changes of location as might be necessary to bring the line up to some definite standard in regard to curvature, which might be suitable to a road likely to have a considerable traffic, and at the same time within reasonable limits of expense.

Mr. Philbrick thinks the condition of the road as to repair is quite low, and turns his attention first to the improvement of the curves and gradients of the line. He has made, as he says, a separate study of each curve, and proposes changes, if we understand him, in 75 per cent. of the whole road, leaving only 25 per cent. untouched. His estimate of cost for this work, exclusive of land damages, is over a million and a half of dollars, ($1,671,652.) In connection with this matter of curves, Mr. Philbrick makes this important remark:

It is to be observed that the sharpest curves occur either on gradients descending, or but very slightly ascending, in the direction of the ruling traffic, moving eastward, *so that their effect will not be found to limit the length or weight of freight trains.*

The gain in curvature, as stated by Mr. Philbrick, is the difference between 95° and 133° per mile; and this gain on 75 per cent. of the length of the road, it will be seen, is to be made at a cost of about $50,000 per mile. In view of these statements, the immediate expenditure of one and a half millions of dollars for changes of curvature, will be regarded as at least a measure of questionable expediency.

The changes of which we have spoken are all above "Bardwell's Ferry," between which point and a point east of Greenfield, a new line (originally described many years ago by Mr. J. W. Brooks) is proposed, 8 11-100 miles in length, which requires the abandonment of 7 7-10 miles of the present track. This line, it is said, saves a mile in distance in the through line; but it would seem adds about a mile to the actual amount of track. The proposed line abandons Greenfield, passes south by the side of the Connecticut River road, through Deerfield Centre, and crosses that river about a mile below the town. There are unquestionably serious objections to the line proposed. Unless the object be to afford additional facilities to the Boston & Albany Railroad to reach the tunnel, it would seem to be desirable that the location of the Troy & Greenfield road should be to the north of its present line rather than south of it. For many reasons, it seems to us, the line should run on the north side of Greenfield rather than on the south side of Deerfield; certainly as presented in Mr. Philbrick's report, in which he assumes the estimates of Mr. Laurie, the advantages of the new line cannot be regarded as paramount, and they do not appear to be so regarded by Mr. Philbrick, who in summing up the matter says, "These advantages are to be weighed against the local business of Greenfield and Turner's Falls, which may be better accommodated otherwise;" and which is unquestionably very much larger than any amount which Deerfield will furnish. The change, therefore, should it be made, would be made at the cost of Turner's Falls, (with its vast water power and thriving business,) and the town of Greenfield. The point, so far as we could learn, appeared to be understood as we have expressed it by the members of the committee, who with the report and map in hand and the actual "lay of the land" before them, examined the subject.

Another change of line mentioned by Mr. Philbrick, runs through Turner's Falls and Greenfield from Grout's corner. This line is somewhat longer than the present road, requires 9 3-10 miles of independent line, abandons a part of the present line, the branch to Greenfield and a part of that to Turner's Falls. Only two miles of this proposed line fall within the Troy & Greenfield charter—so that, as nearly seven-eighths of it are on the Vermont & Massachusetts road, it scarcely comes within the perview of Mr. Philbrick's commission as defined by the legislature.

In view of the whole subject, Mr. Philbrick, without making any positive recommendations himself, or by any conclusions of his own enabling the Governor and Council to do so, as specially requested of them by the act, expresses himself very sensibly, we think, as follows:

In judging of the propriety or necessity of making such improvements in the Troy & Greenfield Railroad, the only question seems to me to be as to the time when it [they?] shall be done. There is no doubt that the present line is good enough for present traffic, and with a few months' work with a gravel train and a renewal of the track and some additional sidings, it would doubtless answer very well for as large a freight traffic as can be conducted on a single line of rails.

We think, as a general thing, the members of the committees who gave the subject their attention, came to the same conclusion; and the thing to be done by the Commonwealth is precisely that which Mr. Philbrick so decidedly suggests, viz., to put on a gravel train, renew the track where necessary and put in additional sidings; and the reasons are very urgent why this should be done at once, if the tunnel itself is to be utilized when completed. Further improvements can be made, as they have been made on the B. & A. Railroad, as the business of the line is developed and when a second track shall be found to be necessary.

CONCORD, Mass., May 4. W. W. W.

THE HOOSAC TUNNEL.

To the Editors of the Boston Daily Advertiser:—

The public must by this time be ready to accept these facts as going far, if not the whole length, to settle the policy to be taken by the legislature in respect to this troublesome question; 1st, the construction and management of a railroad as extensive as one from Boston to Troy, with as many interests involved and as many connections to be arranged, are beyond the capacity of the State to be carried out through the action of the legislature. Two legislative committees and two legislatures have tried their hand at it, and failed to agree upon even the preliminary measures to be adopted.

2. The State, having expended twelve millions or more in constructing the tunnel, which she can turn to no profitable account under her own management, had better stop where she is and let somebody have the benefit of it who can use it.

3. As a separate and distinct enterprise, which has been paid for by taxes upon the whole people of the State, it should be retained by the State for any and all her citizens who wish to use it as a medium of travel and commerce between the Atlantic and the West. Let her keep the control and management of it in her own hands, and open to as many lines of railroad as desire to make use of it.

4. Notwithstanding the ingenious speculations of the Boston board of trade, and the stirring harangues of Faneuil Hall, if the Boston merchants expect to bring the produce of the West to Boston over a railroad, the State must build it and run it and keep it in repair by a tax upon the people of every part of the Commonwealth, or the expense of doing this must be borne by charging a reasonable freight for transporting this produce. It cannot be done for nothing. And the more carefully and economically this can be done, the cheaper will be the expense.

5. An individual can carry on such an enterprise, if within his means, cheaper than a company, and a private company cheaper than a State. To do it to advantage requires deliberation in counsel, practical experience and unity in action in carrying out the complicated details which the conduct of extensive lines of railroads necessarily involves, in which a personal interest and responsibility are essential to success. There should, therefore, be one or more separate independent through lines in the hands of corporations, created by the State, with such checks and limitations as prudence may dictate, who should have a right to make use of the tunnel upon such terms as the State should prescribe for all, the State retaining the tunnel in its own hands.

6. The elements of such a line are already at hand. Let there be a stock company large enough to buy and hold a through line to Troy, and let the State take enough of this stock to pay the appraised value of the parts of the line she now owns exclusive of the tunnel, and let her have her fair share of the directors of such a line. If the Fitchburg Company decline to come into the arrangement at a fair price, let the same course be adopted as was done when the Boston and Worcester were called upon to unite with the Western, give the through line a right to construct a road from Fitchburg to Boston.

In the light of the history and experience of the Boston and Albany road, is there any doubt that capitalists would come forward and build and manage one or more such through lines? The process is simple, plain and direct, and requires no boards of trustees, no mixing up railroads with politics, no Credit Mobilier rings to enrich individuals under the pretence of carrying forward a public enterprise.

And lastly, as to the economy of the thing—cheap fares and low freights. Once create a fair competition between two or more competing lines of road, and that which does the business cheapest will command it and compel the competing lines to come to the same terms. The State cannot, in the nature of things, do the business as cheaply as a private company having personal interests to observe economy and careful foresight. And if those merchants who are so loud in their demands for cheap freights would take stock in such a line, they would, of course, exercise a direct control over the rates to be charged, and the accommodations to be furnished to trade along and at the ends of the line.

There is no occasion, upon such a plan, for any considerable delay. The line could in a short time be rendered practicable, while the defective parts would be constructed in all convenient despatch. It would stop at least any new cost or large on account of the elephant which the State s on her hands, and put the annual in a way of ming something toward tenths succeeding n.

June 12, 1874

In Rep. 1873, Gen J. S. Whitney said the State should control the Hoosac Tunnel and charge as little toll as possible. He was very strongly opposed to State ownership—

The Bd of Trade then put the State should not part with its ownership in the tunnel

Office of the Vermont and Massachusetts R.R. Co.

Boston, January 1, 1874.

To the Stockholders of the Vermont & Massachusetts R.R. Co.

A special meeting of the stockholders will be held at the Fitchburg Railroad Depot, in Boston, on Tuesday, January 6, 1874, at 11 o'clock, A.M., to act upon the subject of leasing their Railroad to the Fitchburg R.R. Co., for nine hundred and ninety-nine years, at four per cent per annum upon the capital stock for the first two years, five per cent per annum for the second two years, and six per cent per annum thereafter. A lease has been prepared with great care, and will be submitted to the meeting as a beneficial arrangement for both parties.

It is necessary that the lease, to be adopted, should be approved by a *majority in interest of all the Stockholders;* and therefore every stockholder will see the importance of being present in person, or represented by proxy, at the meeting.

DANIEL S. RICHARDSON,
WM. H. HILL,
JAMES A. DUPEE,
GEORGE F. FAY,
FRANCIS GOODHUE,
WENDELL T. DAVIS,
THORNTON K. WARE,

Directors of the V. & M. R.R. Co.

M. H. Simpson, Boston.
Wm. Minot, Boston.
F. B. Snow, Boston.
Joseph Souther, Charlestown.
Daniel Lawrence, Medford.
Charles H. B. Snow, Fitchburg.
Charles J. Billings, Fitchburg.

Stockholders of the V. & M. R.R. Co.

Special Meeting of the Vermont & Massachusetts Railroad Company.

A special meeting of the stockholders of the Vermont & Massachusetts Railroad was held at the passenger station of the Fitchburg Railroad, at eleven o'clock this forenoon, to authorize the directors to consummate the lease for nine hundred and ninety-nine years of the Vermont & Massachusetts Railroad to the Fitchburg Railroad. There was quite a large attendance of stockholders. Daniel S. Richardson of Lowell, the president, occupied the chair. The call was read by the clerk, Mr. B. D. Locke. The president explained the object of the meeting, and stated that the lease which had been arranged was unanimously recommended by the directors, who believed it to be the best arrangement that could be made in view of the prospective increase of business on the line of the connecting railroads.

The lease was read by the clerk, and Mr. Snow of Fitchburg offered the following:

Whereas, The directors of the Vermont & Massachusetts Railroad Company, and the directors of the Fitchburg Railroad Company, whose roads connect with each other, have agreed upon a lease by the first-named company of its road to the last-named company for the term of nine hundred and ninety-nine years, from the first day of January, in the year one thousand eight hundred and seventy-four, and upon all the terms thereof,—a copy of which has this day been read and submitted to the stockholders of the Vermont & Massachusetts Ralroad Company;

Now, therefore, we, the stockholders of the Vermont & Massachusetts Railroad Company, do sanction said lease and do approve the terms thereof, and do hereby authorize the directors of the Vermont & Massachusetts Railroad Company in its behalf, either by their committee or collectively, to execute the same, and to affix thereto the corporate seal of the Vermont & Massachusetts Railroad Company.

Judge J. G. Abbott of Boston said he supposed that this was selling out everything to the Fitchburg road, and there was no provision made in case of forfeiture for replacing the rolling stock which might be worn out.

The President stated that this was provided for in the clause stating that in case of forfeiture the Vermont & Massachusetts Railroad should receive an equivalent for the property surrendered to the Fitchburg Railroad.

Judge Abbott expressed the opinion that no court would sustain that view. He also wanted to know what provision had been made in case of taxation on each individual stockholder, and the president having read the clause pertaining thereto, providing for the payment of *all* taxes, so that the Vermont & Massachusetts stockholders could receive their six per cent. clear, Judge Abbott expressed the the opinion that such a tax could not be recovered from the Fitchburg Railroad. He made quite an extended address in support of the assertion, and touched upon the prospective increase of business from the tunnel, and did n't like the idea of being sold out now, just as the tunnel was about to be completed. He favored the consolidation of the two roads on a fair and equitable basis.

The president stated that all the points mentioned had been the subject of extended correspondence, and the directors believed that on the whole it was for the best interest of the road.

Dr. Spalding of Worcester said he was an old stockholder; he had paid his assessments and waited for the profits, and now, as they are about to be realized, he did n't like to be sold out. He had received about one quarter per cent. on what he had paid. He had heard part of the lease, but he did n't want to hear any more; he had held on to his stock, and wanted to stay in the company; if he could find the truth it would appear that two interest are here; the Fitchburg interest in the Vermont & Massachusetts road had got into the lease; it is a trap sprung upon the old stockholders, and the Fitchburg Railroad wanted to get the profits to come from the Vermont & Massachusetts Railroad; the Vermont & Massachusetts Railroad is able to stand on its own shoes—(applause); he was ready to pay his part of the expense to improve the road; those who had stood by the road were not in favor of giving up the ghost at this time.

Judge Abbot called attention to the fact that they were to receive nothing for the past. Superintendent Ruggles said on Saturday that the business has so increased that in the next four years they could pay four and a half per cent. exclusive of the tunnel. Properly and rightfully managed the road will pay all the Fitchburg road proposes.

Mr. G. Washington Warren moved as a substitute that the meeting adjourn at the call of the directors, and that in the meantime the directors be instructed to negotiate with the Fitchburg Railroad for the consolidation of the two roads. He was surprised that that proposition previously made had not been accepted. He was one of the original stockholders, and looked forward with faith to the opening of the tunnel, and expected that he or his children would receive a reward.

He believed it for the interest of the Fitchburg Railroad to consolidate. Under this lease the Vermont & Massachusetts organization will be kept up merely to do just what the Fitchburg road wants them to do. Instead of reaping the benefits of the tunnel, or even taking what the State proposed to give, they are called upon to cut off their head, arms and legs, and be a carcass to make profits for the Fitchburg road, and still all the time running a chance not to get their six per cent. interest. The lease ought to have been made payable in the coin of the country—now it is nothing of the kind. Such is the sure prospect of business from the tunnel—after waiting and withstanding the opposition of the Albany line, and now they are expected to be used up. On reflection the Fitchburg stockholders will think it better to consolidate on fair terms with those who built the upper part of this line. The directors have never been given any instructions to negotiate a lease; they were instructed to negotiate for consolidation.

The president ruled that the subject of consolidation could not be entertained, and the motion of Mr. Warren was out of order.

Mr. S. A. B. Abbott moved that the meeting adjourn.

Mr. Tucker of Stoughton had bought into the road with the expectation of the profits to accrue from the tunnel. He did n't like the idea of being sold out by this lease.

Mr. Ware of Fitchburg, a director, partially reviewed the history of the negotiations, and he was assured that, if this proposition fails, this ends the matter. The directors do not intend to influence stockholders. Before the business expected can be realized a very large outlay is needed, at least from a million and a half to two millions. But the point upon which the directors suggest the lease is a positive income in place of an uncertainty, and a positive loss for many years at least. He thought the last step for consolidation had been taken by the Fitchburg Railroad.

Mr. G. W. Warren proposed to adjourn until the first Monday in February. They are not compelled, he said, to decide the matter today—a month's deliberation would do good.

The president made a personal explanation, and denied that any attempt to force the lease upon the stockholders had been made. The directors had presented the lease in the best form they could, and they didn't care what the meeting did.

Judge Abbott said he believed the directors had acted for the best interest of the stockholders, but he thought a better arrangement could be made.

Mr. Kimball of Lowell did n't think the lease a good one; it was too complicated, and it was a great mistake. He did n't like the idea, after having invested and waited, to have all the prospective profits taken away.

Mr. Ware said he had been requested by Mr. Ruggles, the superintendent, and the largest stockholder, to state that he, after careful examination of the lease, should favor the lease and oppose an adjournment.

Judge Abbot said he received informalion from Mr. Ruggles that he would oppose the lease.

Mr. Ware asked if Mr. Abbot had not received notice to the contrary this forenoon.

Judge Abbot replied that he had.

Mr. Warren explained that he did not intend any reflection on the president or directors.

Hon. E. H. Derby called for a stock vote for the reason that he had at various times represented both roads; he feared if this meeting were adjourned im-

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Poughkeepsie Bridge vs. Hoosac Tunnel.

Upon this question Mr. C. R. Andrews, financial agent of the Poughkeepsie Bridge Company, has written and published in the Boston *Post*, a very able and interesting letter. He fully endorses the views expressed by Mr. J. M. Scribner, of Middleburg, N. Y., in which that gentleman points out that Boston export trade to-day is dependent upon one road, the Boston & Albany, for her export trade from the West, and that that road, while doing all it can, is dependent upon the action of the N. Y. Central, which is managed in the New York interest, and also points out the indisputable fact that by shorter routes, by rail, a saving of three millions yearly would be secured to consumers of coal east of the Hudson. Mr. Andrews thinks that the question to be considered by our tax payers at the present time is not how we can utilize the Hoosac Tunnel, but in what manner, and at the smallest possible cost, the shortest and best route to the South and West can be obtained for Massachusetts. If, by building the Boston, Hoosac Tunnel and Albany Railroad, a double object could be gained, namely, the shortest and best route to the West and also a profitable utilization of the tunnel, and enable it to earn its living, it might be policy to furnish the eight millions to build it. Mr. Andrews thinks it a vain hope, however, to think a new route to the West through the tunnel can be built, when the tunnel cannot furnish what is needed. He thinks the tunnel can be used to advantage for Northern produce. Western and Southern produce will come to Boston over the shortest route, and a glance at the map, says Mr. Andrews, will show that the tunnel is not the shortest route. He admits that through it a shorter route can be built from Albany to the coal regions, and considers it doubtful at the same time whether the new route will do better than the present one by the Delaware & Hudson Canal Company; but it certainly is not worth eight millions to Massachusetts, and it is questionable whether it would to any extent help pay for the cost of the tunnel. In his opinion, the shortest and best route to the West is over the Poughkeepsie bridge, and it can be had with the least possible expenditure of money. The cost of the bridge will be $3,500,000, actual bids from experienced bridge builders having been made to contract for the work at that price, one million dollars to be raised in stock and the balance in bonds, first mortgage as security, responsible parties standing ready to purchase these bonds as soon as issued.

Mr. Andrews, summarizing his views, says: Poughkeepsie bridge will shorten the distance between Boston and the coal fields 93 miles, and save a dollar a ton on freight; the bridge will make a saving over existing routes of 105½ miles or 30 per cent.; it will make a direct connection with the Erie, Pennsylvania Central and Baltimore & Ohio railroads, and through them with the great Southern and Western roads beyond; the bridge will lead to the Hudson & Delaware Canal Company, a great and important feeder, and finally it will make a Western connection for the New York & New England Railroad, which has cost the people of New England *fifty millions of dollars*. The Poughkeepsie bridge is to be an honest affair, not one dollar will be diverted from its legitimate purpose. The connecting roads have all agreed to give their traffic in support. While Mr Andrews does not detract from the merits of the Boston, Hoosac Tunnel & Albany Railroad, he maintains that the Poughkeepsie bridge has prior claims. The one will cost eight millions the other one million. Mr. Andrews feels that though the present is an unfortunate time, owing to financial embarrassment, it is a favorable time to build, owing to the cheapness of labor and materials.

BOSTON HERALD.

SATURDAY MORNING, JAN. 17.

ON THE FIRST PAGE.

Home Matters; Telegraphic Dispatches,

NOTES FROM THE STATE HOUSE.

The Hoosac Tunnel—The Shanlys Involved in a Dispute with the State Authorities Regarding the Proper Interpretation of the Terms of Their Contract.

In the address which the Governor delivered to the Legislature at the opening of the session, he concisely sketched the history of the Hoosac Tunnel enterorise from its inception in 1848 to the hour when the passage through the rocky and seemingly impregnable barrier was made on the 27th of November last, recalling, in the progress of the narrative, the dark days when the undertaking languished under the contract of Haupt & Co., and under the still feebler management of the State. In concluding his interesting statement, his Excellency referred with satisfaction to the agreement which had been made with Francis and Walter Shanly, declaring that from the period of the completion of the contract with them dated the assured success of the venture. On the part of the Executive at that time it was certainly expected that the labor that remained to be performed before the tunnel was made ready for use would be completed without unnecessary delay or annoying controversies with the contractors. It appears, however, that such is not to be the case. For some days it has been whispered in circles that seemed to be not likely to be uninformed, that a misunderstanding of a serious nature had arisen between the Shanlys on the one hand and the Governor and Council on the other as to the rightful interpretation to be put upon the phraseology of the written compact between the parties. It was represented that on the construction of the language in dispnte depended a sum that was variously stated to range from $500,000 to $1,000,000. It was also currently reported that the disagreement between the contracting parties had been of such nature that the Treasurer of the Commonwealth had been instructed to withold the monthly payments due to the Shanlys. Upon inquiry it was ascertained that the rumors actually had a basis of truth. It seems that information of the nature of the Shanly conception of the contract came to the Executive three or four days ago, and formed the subject of discussion between the Governor and Councillors at the meetings of the Council yesterday and the day before.

It will be remembered that in excavating the tunnel soft and porous rock was encountered of so brittle a nature that it necessitated for a time the complete suspension of the work. In order to obviate the difficulties that arose from this condition of things, it was determined to arch a portion of the interior of the tunnel with brick. It is understood that the point at issue between the Shanlys and the State relates to work of this character, the consulting engineer of the Commonwealth affirming that a section of the excavation west of the central shaft requires, for the sake of safety, to be protected in that manner. To this the Shanlys demur, claiming that under the letter of the contract they cannot legally be required to arch the division alluded to. In reply, the State authorities stoutly maintain that the covenant between the parties plainly throws the burden of the task upon the contractors, as it did in the case of the stream of water that no person expected to discover in the heart of the mountain. It is evident it is not reasonable to expect that the misunderstanding will be speedily settled. The work that the State desires performed will involve the disbursement of a large amount of money, though the outlay will not be of the magnitude indicated by rumor. There appear to be a variety of views concerning the probable cost of the labor, some parties estimating that the necessary expenditure will not exceed $100,000, while others claim that it will at least reach the sum of $300,000. In regard to the informal meetings that have occurred between the Shanlys and the State officials, in relation to the matter it may be well to say that they have thus far been of a friendly character, and that there is no warrant for the assertion that a portion of the money due the contractors has been withheld for the reason assigned, the usual monthly payment having been made to them yesterday. The subject is still held under advisement by the Governor and Council, and it is understood will so remain until the return of Lieut.-Gov. Talbot, who has gone to the tunnel on a visit of inspection.

THE HOOSAC TUNNEL.

The hearing before the committee on Hoosac Tunnel and Troy and Greenfield Railroad, relative to the claim of Charles Butleigh on account of the drill used successfully in excavating the tunnel, was resumed. Several gentlemen were heard at considerable length in opposition to the claim, among whom were Mr. Charles Putnam of the Putnam Machine Company, Mr. L. D. Bartlett, superintendent of the company, Mr. Snow, the treasurer, and Mr. Rodney Wallace, a director.

THE TUNNEL CONTRACT.

The following is the petition of Walter and Francis Shanly with reference to the construction of their contract for building the Hoosac tunnel, on which there will be a hearing today:—

The undersigned, Walter Shanly and Francis Shanly, respectfully represent that by the terms of their contract for the construction of the Hoosac tunnel they undertook and promised to arch a part of the west end section of the tunnel with bricks, it being specified that the amount of bricks to be laid there should not exceed 4,500,000; that their contract nowhere provides for or contemplates arching any other portion of the tunnel with bricks; that at the time said contract was made and for many years before, it was and had been assumed by the Commonwealth and its officers, as appears by a series of public documents of the Commonwealth, that no brick arching would be necessary, except for a comparatively short distance at the west end; that the formal "specifications of the work required to be done at the Hoosac tunnel," prepared by the Commonwealth, and upon which the contract of the undersigned was founded, show distinctly that no other brick arching was contemplated; that, as the undersigned are advised and believe, their said contract, in its true legal construction, does not require them to arch any portion of the tunnel except in the west end section, and there to an amount not exceeding 4,500,000 bricks; that in compliance with the direction of the engineer of the Commonwealth, they completed in August, 1872, an amount of brick arching in the west end section which was then considered by him as sufficient for the protection of the tunnel in that section, and the finishing of the same was made the occasion of a special ceremony, the engineer putting in the last brick with his own hands; that upon the request of said engineer the undersigned then surrendered the Commonwealth's brick yard to the Commonwealth, it being understood that no further arching would be required under their contract; that the number of bricks laid did not at that time amount to 4,500,000; that no further directions to lay any brick arch were given until July, 1873, when the undersigned received instructions from the engineer to extend the arch in the west end section 344 feet further, and also to build 40 feet of similar arch in the east section; that these two pieces of work were calculated accurately to absorb what still remained unused of the contract limit of 4,500,000 bricks; that they promptly procured the bricks for the said 344 feet in the west end section, and are prepared to do the work, but they declined to recognize that they were bound by their contract to do any arching outside of the west end section; that recently the undersigned have received orders, for the first time, to arch a distance of about 1800 feet in length in the central section of the tunnel, and to make an enlarged excavation of rock to allow such arching, involving an expense of not less than $300,000; that it has been apparent for two years and over that more or less of such arching would be required in order to secure perfect safety in the continued use of the tunnel, but the engineer has never given notice to the undersigned that they would be expected to do it till recently; that it is now impossible to obtain the bricks and finish this work before the first of September, 1874, the date contemplated by the contract to which it might be necessary to extend the completion of the work; that the undersigned believe their contract does not require them to do it, nor have they pecuniary means to enable them to do it; that the amount heretofore received by them from the State is several hundred thousand dollars less than their disbursements already made in performing their contract, and upon receiving payment in full from the State, at the completion of the work which they consider themselves bound to perform, they will still be heavy losers under their contract; that they are, nevertheless, ready and willing and have a full intention of doing all that is required of them, according to their understanding of the true construction of their contract, and have no doubt of being able to complete the same before said first day of September, 1874.

That difficulties have arisen from time to time in the prosecution of the work which were unexpected at the date of the contract, and which made it impossible to preserve at all times the prescribed rates of progress in certain portions of the work, but they have largely made up for the deficiencies so caused, by exceeding the prescribed rates whenever possible; that some of these unexpected difficulties were the following: The great freshet of October, 1869, washing away the Troy and Greenfield Railroad, and preventing the running of trains for about nine months, and also causing damage at the west-end workings; the failure of the Deerfield-River dam to supply continuous power, rendering the erection of steam works necessary; the change in the geological formation of the mountain west of the central shaft, and the great influx of water, rendering new and expensive machinery necessary for hoisting the water, and causing great delay; defects in the old foundation prepared by the State at the central shaft, which proved insufficient to support the new hoisting apparatus, and had to be newly constructed, requiring about two months' time; the final impossibility, from the great influx of water, of driving the work west of the central shaft until an opening was made by which the water could be taken out through the east end of the tunnel. In consequence of these and other unexpected difficulties, the expenses of constructing the tunnel have been increased several hundred thousand dollars, and considerable delays unavoidably incurred; nevertheless the undersigned have pressed forward the work with energy, eliciting from the State engineer in his report for 1872, (Senate Doc. of 1873, No. 201,) the comment, that, "with the single exception of progress westward from the central shaft....the results obtained have satisfied the most sanguine anticipations"; and that "the extraordinary progress is due largely to the extraordinary exertions made."

Wherefore, having nothing now to gain under their contract, except the reputation of having successfully performed this great public work, they pray (in addition to the prayer of their former petition) that an act or resolve may be passed, declaring that, according to the true construction of their contract, the undersigned are not bound to do any brick arching of the tunnel except in the west-end section, and in that section to an amount not exceeding 4,500,000 bricks, and that upon doing the same and in other respects complying with the terms of their contract on or before the 1st of September, 1874, or such other reasonable period as may be fixed by the governor and council, they shall be held to have fulfilled and performed the same on their part.

W. & F. SHANLY,
by W. SHANLY.

Boston, 7th February, 1874.

RAILWAYS.

The committee on railways continued the hearing upon the order relative to making railroad companies responsible for freight twenty-four hours after its receipt. The committee heard also Mr. Charles W. Felt, who opposed the bill lately presented supplementary to that authorizing the Eastern Railroad Company to take land for freight purposes in Charlestown. He stated that the corporation had no money to carry out the project which had been undertaken, and should not be allowed to do more until statements are made showing its true financial condition. This, the speaker claimed, was an incipient insolvency. There was a constant attempt on the part of the managers to conceal the financial condition of the company, and statements wholly false had been put out recently. He argued that what the company ought to do to remedy its present condition was to go back to East Boston and build a tunnel under Boston harbor.

Boston Journal.

SATURDAY MORNING, FEB. 14, 1874.

MEETING AT THE MERCHANTS' EXCHANGE.

HOOSAC TUNNEL AND SOUTH BOSTON FLATS.

ADDRESS BY EDWARD ATKINSON.

REPORTED FOR THE BOSTON JOURNAL.

Some weeks since Mr. Edward Atkinson of this city published a pamphlet entitled "How to Pay for the Hoosac Tunnel." The views advanced have been received with more or less favor. Some called it "Atkinson's Folly." There was, however, a general interest felt in the subject, and on Friday, by invitation, he addressed the merchants upon the subject.

MR. ATKINSON'S REMARKS.

The map which is before you, which is 500 feet to the inch, consists firstly of Boston as it was, painted in green; as it is, painted in light brown; as it will be, in rose color, the rose color representing about 700 acres of flats at South Boston belonging to the Commonwealth of Massachusetts. I have lately printed a pamphlet, wherein I have stated that if the several tunnel lines of railway and other lines connected with the West can be brought to South Boston flats, the Commonwealth can recover the cost of the tunnel, the Berdell bonds and the cost of making such junction out of the value that will immediately be given to those flats. This statement has been called "Atkinson's folly."

In order that it may not continue to be so called, I bring before the meeting P. P. F. "Degrand's folly" of 1835—the picture which he made of the probable necessity for station houses and warehouses of the Boston and Worcester Railroad when it should be completed, for which he was held to be nearly insane. The station house for merchandise, which is represented on the picture, which I have borrowed of the Hon. Josiah Quincy, was about 40 by 60; the passenger house proposed was 40 feet wide; the land which he proposed to reserve at that point has been exceeded in the demand of the Western and Worcester, now Boston and Albany Railroad, up to this date twenty-fold of that laid down as an extravagant proposition. Lot 7 upon this map bordered upon Fort Point Channel, where, there being 12 feet of water, a large ship of 300 tons was supposed to be placed for the receipt and discharge of cargo. It was stated by him that the countryman's car, which is represented in the picture covered with a canvas, and which it was proposed to bring down on the railroad, could discharge itself alongside of this vessel. At the wharf near by, where there was deeper water, lies the ship Tarquin, owned by Mark Healey, Esq., of 800 tons, which it was then supposed would break in two in consequence of her excessive length.

Having thus called your attention to Mr. "Degrand's folly," I now ask you to turn to "Atkinson's folly." We will begin with the South Boston flats. It will be observed that we propose firstly to divert Fort Point Channel from its present line so that it shall empty the waters of South Bay easterly along the north front of South Boston, and that Fort Point Channel shall be filled up, as was proposed twenty years ago, from Washington avenue bridge down to a point near Russia wharf. The "heater-piece," so called, which will thus be added to the main part of the city of Boston, on which Congress street may be extended one mile and a quarter before it strikes the new avenue to the sea from the South Bay, will contain twelve million feet of land and dockage belonging to the Commonwealth of Massachusetts. It is supposed that the owners of the wharves upon Fort Point Channel may be reconciled and made advocates of this plan upon the ground that the value of the slips alongside their wharves, filled up, will be vastly greater than any channel right which they now possess in that crowded and obstructed way—about to be made more difficult of access by the construction of the new bridges. The contracts for the filling of the first part of this "heater-piece," as we will call it, have lately been made between the Boston Wharf Company, the Boston and Albany Railroad, the Commonwealth and the City. Those contracts cover the most expensive part of the walls and of the filling, and yet the million feet for which contracts have been made will not exceed the cost of 75 cents per foot filled to grade 13 with material from the harbor, and after that to grade 16 with three feet of gravel. It is safe to assume that if this most expensive part would cost only 75 cents a foot, the filling of the whole would not exceed an average of 50 cents a foot.

Now, gentlemen, if twelve million feet of land and dock space, in which docks forty Lord Clive steamships can be laid up alongside of elevators and freight stations; if upon that land, as I have represented here, there can be covered sheds in which twelve miles of cars may be put under cover; if that land is reached by railway trains coming through the Hoosac Tunnel by the Boston and Albany Railroad, by the Erie Railroad over the Hartford and Erie line, by cars coming from the Boston and Providence Railroad and from the Old Colony Railroad, and those cars can be placed alongside of the Lord Clive steamships on the main ship channel of Boston, and if the land at the other end of Congress street is worth an average of at least $10 per square foot, I will ask you if it is folly to affirm that the twelve million feet of land that may be filled up in this portion of the Commonwealth flats may not be worth twelve million dollars above the cost of filling; that is to say, an average of one dollar and a half per square foot? If so, that section alone of the Commonwealth lands will pay for the cost of the Hoosac Tunnel as it will stand on the books of this State when it shall have been finished.

Now, gentlemen, upon this southerly side of the proposed new outlet from the South Bay, on which channel two hundred and thirty coastwise vessels may find the docks whereupon they may discharge their cargoes; on that southerly side there will remain the property of the Commonwealth, fourteen million feet of land, that will cost far less for walls and filling than the section that we have previously treated. It that is not a sufficient sinking fund from which to recover the Berdell bonds of the Hartford and Erie Railroad, $3,600,000, and from which to pay the cost of the junction line of railroad, which I shall presently exhibit to you, and which need be but seventeen miles to compass all that I have stated; if that fourteen million feet of land be not a sufficient sinking fund for these purposes, then you may, if you please, call this picture "Atkinson's folly."

Now, gentlemen, having thus exhibited to you in rose color the Boston of the future, and I trust of the near future, let me show you the easy way whereby the railroad connection may be made. Cast your eye upon the point near the Mount Bowdoin station in Dorchester of the Hartford and Erie Railroad, and follow the heavy line northwesterly, through West Roxbury, over the Boston and Providence Railroad above grade, at a point a little this side of the Forest Hills station, thence through the Bussey farm in a deep gorge that nature has left open for this purpose, thence through land for a few miles further—meadow land, fit for nothing except to lay a railroad upon—to Newton Highlands on the Woonsocket Division of the Hartford and Erie Railroad. With that seven miles and a half you will have united the two sections of the Hartford and Erie Railroad in one, and thereby you will immensely enhance the value of that railroad, in which the Commonwealth as the holder of $3,600,000 worth of Berdell bonds has a great interest to be recovered. Continue that line northwesterly, and you pass over the Boston and Albany Railroad three miles distant at the Riverside station, but the Boston and Albany traffic may be brought from Grantville to this Junction line by a short spur and it will be nearer to the elevator which it may reach in this manner at South Boston by about four miles than the line required to reach its present elevator at East Boston by the present Junction road. Now again, having crossed the Boston and Albany Railroad above grade at the Riverside station, we need to go but a mile and a half further into Waltham to connect with the Fitchburg Railroad, the chief tunnel line.

Thirteen miles thus described, or fifteen with the spur for the Boston and Albany traffic, will thus unite the Fitchburg, the Boston and Albany, the Woonsocket and the Providence Railroads with the South Boston flats, by way of the main track of the Hartford and Erie. Another spur, in Weston, of three miles will take in the Massachusetts Central Railroad and another short piece of road, the construction of which is earnestly desired by the people of Natick and Needham, will make a connection between the junction line at Newton Highlands and the Boston, Clinton and Fitchburg Railroad at Framingham. Thus, twenty-five miles all told, and nearly all through an easy country, the construction of which will be at moderate cost, will concentrate at South Boston the whole Northwestern and Western traffic of the State, leaving the Mystic river flats to be occupied by the traffic over the Ogdensburg Railroad, the Boston and Lowell, Central Vermont and the Eastern traffic from Maine and Canada.

Now, gentlemen, the one remark of a shrewd man upon this plan was not that it was "Atkinson's folly," but that he said "it is a grand plan, but it is too far East; if a Western city had that opportunity it would be completed before you have done thinking about it." Now, my friends, seriously, I think it is safe for me to say that the sanguine anticipations of P. P. F. Degrand and of Nathan Hale, absurdly insufficient as they now appear to us, will prove to have been no more insufficient than will my plans that I have now in rose-color laid before you, forty years from this time. Let those of us who love our old city and who earnestly desire to prove that we can excel in foresight our brethren elsewhere, unite in some way to compass the objects that I have sought to lay before you. The first practical step that seems to me to be necessary is to petition the Legislature either to enlarge and define the powers of the present Board of Harbor Commissioners in whose charge these flats now are, or else to legislate for the appointment of a small and able committee who shall take charge of these lands, as lands to be sold, in the same manner and probably with far larger results to the benefit of the Commonwealth than the Back Bay lands have been treated. To that end I have prepared a petition to the Legislature, which is now before you for your signatures.

The next step, it seems to me, should be to petition the Legislature to have this Railroad Junction line thoroughly investigated in order that my survey—or I should say, and give more than half the credit of this scheme to Mr. Herbert F. Keith, the Engineer by whom these plans have been put on paper—may be verified. Our survey has been in the nature of a reconnoisance. It would have cost far more money than we and our associates are able to spare to make this complete and perfect. We are satisfied that we have the true line and the true levels. We have had other experts pass over the ground, and we have full assurance that there is no difficulty in the way, and no excessive cost except in getting over the Providence Railroad and through Jamaica Plain, where we admit there would be a large expenditure required. As a simple question of profit and loss that the State may know what can be done with this land and this railroad investment, I have framed a petition to the Legislature for a full investigation, which is also before you.

Let me say to you, in conclusion, that this plan has not been made, but like Topsy, "it growed up." Its inception was the effort of a few landholders owning property in the wilderness of Boston and the wilderness of Brookline to see if they could not promote the construction of a short spur from the Providence Railroad to Newton. When that was mapped down, the fact appeared that it formed but a small link in a much larger plan than anything that we at first contemplated. In order to draw further information, I wrote an article in *The Boston Journal* about a year ago, and using old local names of places in this wilderness, which is only six or eight miles from where I now stand, I entitled the article "The Putterham, Pilfershire, Ponica Meadow and Moonshine Farm Railroad." Under that title, which I knew would make everybody read what was written, I described a portion of this route and called for information. From that article, this plan, as I said, has "growed up." I thank you for your attention, and am glad that I had the invitation to appear before you.

If it is worth your consideration now is the accepted time. It will bear no delay. We have "blindly crept and sightless soared" for many years. Now

> "Together let us beat this ample field,
> Try what the open, what the coverts yield,
> The latent tracks, the giddy hights explore,
> Of all who blindly creep or sightless soar.
> Eye Nature's lines, shoot folly as it flies,
> But seize the fleeting moment ere it dies."

THE TUNNEL QUESTION.

The bill to incorporate the trustees of the Hoos Tunnel Railroad was considered on the questi of its engrossment.

The debate on the tunnel question was resume and Mr. Learned restated some of his objections the bill of Mr. Bailey, that it was fatal to the co struction and use of the Massachusetts Centr Railroad on equal terms and destructive to che transportation; as the tunnel and road were bu by the money of the whole State, all po tions of thet State were entitled to the f benefit of it, without preference or favo itism; the bill ignores this principle in gi ing the arrangements to the Fitchburg Railroa and the State would be powerless to resent the di tation of that corporation until the Massachuset Central shall be built and a competition is create He believed the Fitchburg Company would n seek consolidation under the bill with the Troy a Boston, nor would the latter agree to it. The Sta would be powerless as to its yearly contracts f use of the tunnel in case the Central shall be bu and connive with the Fitchburg. If provisio shall be made for cheap transportation, the Tr and Boston will find an additional reas for declining a consolidation, and the Fitchbu would hesitate and might decline arrang ments for operating the tunnel under the bi The uncertainty of future legislation would pr vent any solvent, responsible parties from pr paring for the large business contemplated, a discourage business men from entering into e gagements with the line. It would be obnoxiou to the objections to general State ownership wit out any of its advantages, fail to secure and bri under our laws the Troy and Boston road, a jeopardize all eastern interests from the liabili that said road would pass into the hands of pa ties adverse to the tunnel bill.

Mr. Bailey of Middlesex contended that, und the objections of the senator from Berkshire, the was no remedy against New York interests, a his argument was, in effect, that the bill of t committee, being more favorable to New Yo parties, was more likely to be acceptable to the

Mr. Learned said it was possible New York pa ties might get possession of the trust certificate but they could not thereby get possession of t line.

Mr. Lane of Suffolk declared that the committ had no sympathy with any railroad corporation that report.

Mr. Bailey assumed that under the bill of t committee, the Fitchburg Railroad Company, wi its four trustees, shrewd business men, could co trol the five trustees who might be appointed the State, as a reward for political services.

Mr. Aiken of Franklin characterized most of t discussion as relating to hypothetical matte The main objection which appeared was, that th were afraid of the trustees. But in all the bills t property was put out of the possession of t State. The remedy was to strike out the ter "trustees" and make them agents merely, und which the property cannot be parted with. T property was now in possession of the Commo wealth, and if nothing was done it would rema in its possession. Agents might be empowered make contracts with these corporations. T Fitchburg Railroad cannot be compelled to con into the proposed arrangement.

Mr. Bacon of Essex believed the solution of t question was to come through the suggestions the senator from Franklin. There had been an a tempt to do too much. They had been asked legislate in the interests of Boston, which w none of their business, being out of the interes of the State. He deemed this a favorable time offer a substitute bill, and presented the follo ing:—

AN ACT to provide for the present charge and control the Hoosac Tunnel Railroad.

SECT. 1. The governor, with the advice and consent the council, shall on or before the first day of July ne take the Troy and Greenfield Railroad and the Hoos tunnel, when it shall be completed, and surrendered to t Commonwealth, and all the property and interest of t Commonwealth in the Southern Vermont Railroad Co pany, and hold the same for the purpos hereinafter named; shall have sole charge, dire tion and control, subject to the provisions this act, of said Hoosac Tunnel Railroad shall appoint one or more superintendents, and any oth agents that may be required for the efficient and econom tal operation of said Hoosac Tunnel Railroad, and sha define the duties and fix the compensation of such office and agents; shall make contracts and arrangements wi any railroad corporation connecting for the passage transportation of trains or cars, with their freight a passengers, on and over said Hoosac Tunnel Railroad, a may do all other things not inconsistent with the pr visions of this act and the general laws in relation to rai roads, which may be needful for the efficient and econo ical operation of said Hoosac Tunnel Railroad *provided*, that in every such contract or arrang ment, suitable provision shall be made which such corporation shall be required to furnis reasonable facilities for the proper accommodation of t transportation of the local passengers and freight on t line of said Hoosac Tunnel Railroad; and also that a such corporation shall charge for through freight brou by it from any point west of said Hoosac Tunnel Railroa and delivered to any such railroad corporation east of t Hoosac tunnel, no more than a *pro rata* proportion of t whole charge from the point of departure to the point its destination over railroads, unless in and by any suc contract an additional special charge shall be reserved the State for the use of the tunnel, other than sa Hoosac Tunnel Railroad; and *provided, further*, that t governor shall not purchase nor procure any equipmen except engines, for the transportation of passengers a freight.

SECT. 2. The governor and council may modify a amend any existing contract with any railroad corpor ation relating to the use of its railroad, or any part ther of, by agreement with said corporation.

SECT. 3. The governor shall hold all moneys receiv for earnings of said railroad and tunnel, and all mone which may be appropriated by the Commonwealth f the completion or improvement of said Hoosac Tunn Railroad, and for operating the same, and shall faithfull apply the same, with the advice and consent of the cou cil; shall semi-annually pay into the treasury of the Co monwealth the net income received from said Hoos Tunnel Railroad, after the payment of the expenses; a the same shall be set apart, under the direction of t governor and council, and applied in such manner and such times as the governor and council shall directe either or all of the following purposes: The extinction any indebtedness, or payment of interest thereon wh the Commonwealth may at any time incur in carr out the purposes of this act or any act in addition t amendment thereof, and the extinction of the indebt ness, or payment of interest thereon, which has

may be incurred in the construction of the Hoosac unnel.

SECT. 4. The governor shall on the last day of Decemer next, and semi-annually thereafter, make a report to he General Court of his doings during the twelve months ext preceding, and of all receipts and expenditures, and hall make such recommendations as he may deem judiious for the future management, control and disposition of the said Hoosac Tunnel Railroad.

SECT. 5. In the management of said Hoosac Tunnel Railroad, and in all contracts and arrangements made in pursuance of any authority herein conferred by this act, there shall be no unequal discriminations in freights, fares or facilities in favor of or against different persons, places or contracting railroad corporations; and the governor shall not lease said railroad, nor take a lease of the railroad of any other corporation.

SECT. 6. This act shall take effect upon its passage.

Mr. Lane of Suffolk advocated the majority bill and denied that the committee had been governed by the interests of Boston simply in their report.

Mr. Bailey moved a postponement of the question to give an opportunity to examine the substitute, as due to the chairman of the railroad committee.

Mr. Merrill of Norfolk said he did not suppose the senator was serious in offering the substitute.

Mr. Learned opposed the postponement, and Mr. Bacon indignantly denied that he offered this or any other proposition except in a serious manner.

Mr. Learned opposed the substitute and opposed postponement, believing that the senate could as well act on the substitute now as after it should be printed.

Mr. Reed of Plymouth moved that the question be taken at 12 o'clock tomorrow, but after a little discussion the matter was dropped.

The motion to postpone and assign to Thursday, and to print the substitute, was carried.

Adjourned to tomorrow at 10 A. M.

HOUSE OF REPRESENTATIVES.

11, 1874. June

THE HOOSAC TUNNEL.

MR. BROWN, OF MARBLEHEAD,

—ON—

SENATOR LEARNED'S BILL.

In the House, June 11th.

The Hoosac Tunnel bill was taken up in the House, this forenoon, and Mr. Brown, of Marblehead, took the floor, opposing the bill of Senator Learned, and in support of the minority bill reported by himself.

After referring to the unusual manner in which the bill had been brought before the House, and to the speech of Mr. Hale, of Boston, in its favor, Mr. Brown said:

Sir, this bill seems to me full of dangers. Shall I hastily enumerate them, and presently notice them more fully?

It contains none of the safeguards which the people have learned, by bitter experience, to include in all charters of recent granting. (Secs. 6, 8.)

It may issue stock without the checks imposed on other railroads, and sell it without the publicity required of other corporations. (Secs. 5, 6.)

It may buy or lease any railroads at pleasure. (Sec. 5.)

And build new lines without being disturbed by the general railroad laws. (Sec. 6.)

And sell any railroads it may own. (Sec. 1.)

If this does not justify the term "Tunnel Sunder," I cannot understand the significance of language.

It may go into the market as buyer or seller of railroad shares, and become the king of the Brokers' Board, and the supreme dictator of railroad quotations. (Sec. 2.)

In fact, sir, it may make and sell engines and cars, and do any business in real estate that it may desire. (Secs. 1, 5, 6.)

It may last forever. The charter so far as man can make it, is a decree of immortality. And in that immortality neither managers nor owners shall be called to account. (Sec. 8.)

Nor can they ever be made personally liable by the legislature for anything done by the corporation. (Sec. 14.)

The examinations of its affairs to be when and how and by whom it may select. (Sec. 11.)

And being a sacred "trust" the legislature cannot control it. If amendments are found necessary they may be made if the owners and managers are willing. (Sec. 14.)

Why, sir, such a bill could not pass even a New York legislature, and if it could, would be worth all the money all our railroads could clear in five years, and cheap at that.

EXPLANATORY.

Now, sir, I hope that the members of this House will carefully scrutinize every one of its sections before they consent to its passage. If I am mistaken I shall be glad to be convinced. It is adroitly drawn, and as a piece of mechanism, is a credit to the ability of its author; and I have too much respect for the majority of my colleagues on this committee, all of whom I believe to be honest and able men, to suppose for an instant that the objections which are present to my mind can have arisen in their judgment. It certainly promises well, it is interlarded with protestations like these, "solely for the benefit of the Commonwealth," and "provided that the State shall incur no responsibility." In fact, sir, I fear that you will find neither responsibility nor accountability in it!

Now, sir, I propose no long speech filled with statistics of traffic, or estimates of gradients, curves, distances or income. The other branch has been wearied these last two weeks with theories and figures, to retain which would appal any ordinary understanding, and to digest which is beyond the capacity of any but mathematical geniuses, to which rare class I claim not to belong.

When, sir, by your appointment I was placed on the "Committee of the Tunnel Line of Railroads," I feared that I may not be able to justify your judgment in the appointment, and if agreement with the majority of that committee is to be the test, your appointment is a signal failure, so far as the gentleman from Oxford and myself are concerned, for, from the earliest development of the scheme before us down to the present hour, we have had but one opinion, and that of surprise and dismay at the result of their deliberations.

EXISTING CONTRACTS.

After weeks and months of patient reading, discussion and enquiry, we could find no "existing contracts in pursuance of which" a line should be reported by us, that, while pretending to utilize the tunnel, should utilize it in any interest rather than that of the Commonwealth. In fact, sir, we were simple enough to think that we were appointed to see that the State, having expended twelve millions of dollars, and proposing to spend three millions more, should reap the benefit of the enterprise.

The necessity of "a through consolidated line" seems to act on some minds like a panacea for all the ills we suffer by reason of defective transportation; and the pretence of "existing contracts" binding this legislature, deserves no serious consideration for a moment. The only contracts in existence are those which bind the Commonwealth to complete the tunnel, and its approaches the property of the State, and the State has done or is doing this as rapidly as possible. But the other side of these contracts binding certain corporations to pay twenty per cent. of their gross earnings to the State is quite another affair! Something never expected to be kept by those who made them; like the handle of a jug, the bargain is all on one side, and as usual that not the State's!

BENEFIT AND RESPONSIBILITY.

Now, sir, let us see what "solely for the benefit of the Commonwealth" means! And what that other phrase "provided that the State shall incur no responsibility" means. Can it be that the State, linked in to other corporation by an enactment that provides in one of its sections that no legislation antagonistic with its general plan shall ever be had without its consent, risks nothing? Can it be "solely for the benefit of the old Commonwealth" to put this property where, whatever its abuses under this scheme, you cannot retrieve or recall it, and where it may become a monopoly worse than any yet shown in this Commonwealth! Why, sir, are New York capitalists here in this very House so interested and eager for the passage of this bill? Why are they willing to pay seven millions of dollars for its control? Who fears a "bottling up" of such an avenue? And why should we hasten to place beyond recall this only escape now left the people of the State from a transportation monopoly westward?

RIP VAN WINKLE.

We have made a railroad through the mountain, it will be some years before another is made, and then it will not be done by the State. Shall we, the moment it is completed, and before it is completed, hasten to put it where we can only reach it through the forlorn hope of having five trustees, who are managing other people's property, without responsibility to anybody, secure from interfering legislation in all coming time, against four trustees, selected by interested corporations who are managing their own property! Why, sir, one man of the ability of Scott or Vanderbilt, managing and directing his own property, would circumvent and override by direction or indirection, by that irresistible magic that steals over the senses when greenbacks flutter—almost any ordinary average of men who might be selected on the part of the State to constitute the trustees in this bill of the majority—and, sir, you may depend upon it the appointees on the part of the State will have no children to deal with here. Much has been sneeringly said about the toll-gate plan, and a Rip Van Winkle sleep of 20 years in relation thereto. Sir, every railroad is a toll-gate, with the especial feature of the old turnpike, and always must be, until that joyous day shall come when the State will be so rich as to own all the railroads, and send her entire population up and down the land as now they pass and repass over her free highways without money and without price. But the Rip Van Winkle is he who thinks because the Legislature of Massachusetts, thirty or forty years ago, gave special privileges to railroad enterprises, that it has not learned better, but proposes to give two or three railroad corporations the control of the only avenue to the West, as yet untainted by monopoly or closed against the demand and necessity of a free people. Yes, sir, every railroad is a toll-gate, the difference being only in whose hands lies the right of imposing the tariff; the difference only in control, and is not this in this case the very essential point for us to deliberate upon and carefully guard?

AN EXPERIMENT.

I said that our legislation should be in the nature of an experiment—and an experiment is something that can be tried safely. To adopt a plan from which there is no retreat, is no experiment, and I maintain that in the present state of our knowledge, if I may judge from the debate on this subject here and in the other branch, there is that to learn which can only be learned by experience.

. . . . . .

Is the tunnel and its connections now belonging to the State, to be accessible to every line of transportation that can reach it either directly or indirectly? Or will you lock it up at either end, and place one key in the hands of Vanderbilt of the New York Central (which is another name for the Troy & Boston), and the other key in the hands of any corporation on this side of the tunnel? If Vanderbilt, and his heirs after him, want their axe eternally ground by railroad combinations and consolidations, I am not willing that the State of Massachusetts shall turn the grindstone. Such would be the result, as it seems to me, if the counsels of some of the members of this legislature should prevail, and with consequences more far-reaching for evil to the people of this State than if the mountain had never been bored!

THE PEOPLE AND THE TUNNEL.

I do not believe that the people of the State contemplate any such course. They have already indicated in various ways their conclusions, and their practical common sense has found expression over and over again from Berkshire to the sea. If there is anything that the people detest it is a monopoly, and especially a railroad monopoly! And they are right in their judgment. They see that to reap any substantial, permanent benefit from this enterprise, it must be held, controlled and directed by their own agents, appointed by their authority, responsible for their management, and rigidly accountable for their doings. In this way only lies safety, in this way only will this great work become a monument of their pluck, energy and wisdom. Adopt the alternative and it will be a perpetual memento of their folly and stupidity. Adopt the alternative, and it will be a curse instead of a blessing. We see already what a tyranny a railroad corporation may exert, though State directors sit at its board, and State money fostered and warmed it into life. At this very session we have had from our board of railroad commissioners a most remarkable and suggestive communication touching the only "through transportation line" from Boston to the West! A communication almost confessing our inability to manage and control this marked abuse of power and privilege. Do we want any more of the same kind? I think not. Now the sure, and safe, and plain way is open. It is a way the people understand; and, sir, it is a way that the people demand! They have not taxed themselves 15 millions of dollars to manifest their courage or their liberality. It is that there should be a highway whereon every corporation in or out of the State, that had business, or wished to create business, might have equal privilege and have fair play. And in this grand equality invite an honorable competition that should forever banish the possibility of a monopoly in the carrying trade across the continent. They have not expected or estimated a remunerative per centage in dollars and cents in this vast outlay of money; though wisely and fairly administered I am not certain that the day will not come when even such an income will be received, as to make us all feel glad that we laid the assessment and bored the mountain. But it was a grander object than money dividends that has kept the State up to the determination to finish this work, and in such a manner as to make every Massachusetts man feel proud of it! It was that her people might secure beyond question, the most direct, the easiest, the cheapest transportation to and from the great West. As communication now exists, the coal and grain and cotton of the country are about as accessible to the other side of the Atlantic, as to hundreds and thousands of the people of Massachusetts.

CHARACTER OF MAJORITY BILL.

The very last month has shown us that our present "through communication" is a grand failure, and that we cannot under existing circumstances, compete with New York as a place of export! Will you help it any by making just such another "through line," and let it be managed by private interest? And yet that will substantially result if the bill of the majority should be adopted by this legislature. An "omnibus bill," sir, full of details that are not understood, nor can they be satisfactorily explained to the intelligence of this House. They may mean one thing, they may mean another; they are capable of such a construction, legitimately and fairly, as will establish a second Credit Mobilier, under the professed purpose of being "solely for the benefit of the Commonwealth." So was the Union Pacific scheme heralded, and we have seen private fortunes bloated

into gigantic proportions by the plan, and, alas! private character, before the synonyme for probity and honor, go down into the slough of dishonor and contempt! Let not Massachusetts emulate in her legislation on this question the legislation of our National Congress, and afford another example of stock jobbery and corruption, that makes the faithful everywhere despair of public integrity and honor. Sir, we propose a safe, economical and satisfactory method, by which the capacity of the tunnel may be adequately tested and its value as a great highway of traffic measured out to the people of the State. It is the equalling of fair play to all in the equality under which a healthy competition may develop, not one or two, but many connections, not merely East and West through this gateway, but North and South, giving to the eleven different railroads running up and down through New England, a sure and profitable connection with this avenue, and making every seaport on the coast of New England a terminus for the Hoosac Tunnel Railroad.

POSSIBILITY OF THE TUNNEL.

Am I to be told, sir, that such a plan "is a do-nothing plan," and will not command a fair paying business? Why not? Who supposes for a moment that any line of road will turn its back on the business seeking this avenue, because forsooth it is not consolidated by this legislature into a controlling interest? One of two things is certain. Either that the people of the State have made a tremendous blunder in building the tunnel, and have stupidly over-calculated the statistics of traffic by this gateway and have weakly imagined that it would become the scale by which the tariff of freight and travel through the State might be regulated; or, that it will, without the aid of gigantic combinations and railroad manipulators, be a beneficent agency for equalizing burdens of transportation taxes, and for carrying to every corner of the Commonwealth all the advantages now possessed only by the great cities that are termini for leading railroad or steamboat lines. Sir, if the policy of this dissenting bill be fairly inaugurated and placed in the hands of honest and able men, you will see the beginning of a rule for transportation lines in this State which will gain steadily in public favor and confidence, and so sure am I of popular endorsement for the foundation principle of this bill, that I would gladly submit it to a vote of the people at the polls.

And, sir, where is the danger? It calls for no enormous outlay of money, no elaborate machinery, no issue of "trust" or any other kind of "certificates," the value of which would be as uncertain and shifting as the sand of the desert or shares in a fogbank.

It requires a rigid accountability, pays no fancy salaries, and lodges the final responsibility where the people have always trusted, and never trusted in vain, with the Governor and Council. A board, sir, that is called upon by the people to render a yearly account of its stewardship, upon which depends a continuance of public favor. And in the remote contingency of the failure of the plan, who is hurt? The State has entangled itself with no other corporations. It has nothing to "back out" from. It is as well, aye, better prepared to make another experiment by reason of its experience here. But if you include it with other corporations and merge the State's interest with private ownership, as this bill of the majority proposes, you will have put the tunnel where no human ingenuity can rescue it, and where the State must forever creep out of the "small end."

STATE CONTROL.

One of our most influential daily papers asks the question, in view of State ownership and State management, as contemplated in Senator Carpenter's bill, "if our State politics can bear the strain of a new and enormous addition to existing political forces?" While I am no advocate of that bill, or its underlying principle, I answer yes; it can bear it much better than the people can bear another through line of railroad monopoly. Though it is not necessary, as it seems to me, that the State should bear either. It is not necessary that there should be such strain on our State politics as would result from an army of State railroad agents, such as would be needful if the Commonwealth goes into the railroad business as contemplated in the bill of Senator Carpenter; and it seems to me that every good citizen should seek to avert this danger. Nor is it necessary to place our property where private corporations may operate it, and make their own terms with all the world outside. That will be the way to make the people pay, but not the way to make the tunnel pay the people. The same paper, and I quote it because it echoes the opinion of the majority bill, as well as of some few of the railroads that seek to gobble up the tunnel and its approaches, says, "If any man believes that any company at this end of the line will make extensive preparations for business in which it is to have no advantage over other companies, [mark the phrase, sir!] he will find he has made a grievous mistake." Sir, no railroad company is asked or required to make "extensive preparations," until it is seen what is demanded, and then, sir, they will be glad to do it. And this query leads me to ask, "does any man in this House believe any other lines will be built to reach this tunnel, either to it from the East or West, unless they are satisfied in advance that they will have a fair chance, and not be subject to the dictation of any one, two or three other railroads?" To believe that, would be a stretch of credulity that should disqualify any gentleman from sitting here as a representative of the people!

A THROUGH LINE.

Again, it has been said, "Unless there is a through line owned and operated by one authority the business will not come." Why not? As I have already asked, will any railroad or steamboat line refuse to take, or neglect to seek freight or passengers, because some fancy scheme has not been adopted, by which the people's money may be diverted from benefiting them, to the private coffers of some combination? What intelligent man believes this for a moment? It is all nonsense and humbug. And the question has been asked over and over again, "What is the State to gain by any partial ownership, or by a disguised system of public control?" It is to gain the control of the tariff for freight and travel in the Commonwealth, certainly westwardly of Boston, probably over all of New England. It is to gain by the moral power of its position as an indispensable link between East and West, the right to a large voice and controlling influence in the railroad charges of our various lines. What is meant by a "disguised system of public control." I do not know, but I think the plan of the majority bill is some sort of a "disguised" system, though not "of public control." The truth is, sir, that the attempts to utilize the tunnel, have included so much more, this side and the other, as to make what at first was simple and easy, confused and difficult. His Excellency the Governor, in his inaugural, evidently felt the difficulty of solving the problem by consolidation, though he preferred that, for he said that it might be found that the experiment of "State management" could be better tried with this property than elsewhere; and he acknowledged that the judgment of the people demanded that "it be held free from the control of other lines." He saw the dangers and difficulties that beset the question the moment you attempt to combine with private management and ownership, the tunnel and its approaches with lines now existing East and West, but he did not appear to see that if this gateway is worth half its cost as a medium of communication East and West, South and Southwest, and Northerly, that it would be no drug in the market to be "bottled up," or compressed by any line, but would be eagerly sought for and constantly used by all, if the terms of its use were fair and equal, and not dictated by any other power than the State of Massachusetts! Now, sir, is the State ready to give exclusive privileges to any corporation for its valuable services in making the Hoosac Tunnel worth anything? Is the State ready to merge its costly property with other lines, and swap "mile for mile" with any corporation? Is it ready to take a step which it cannot retrace at all, or only by making enormous concessions, and subjecting the people to mortification, loss and shame? Are the citizens of the Commonwealth in all other sections ready to have the lines on which they travel, and on which they must depend for their business accommodations, made subservient to a great dominating combination to which they must go down on bended knee for the grace of its favor and the right to connect? If so, then I have not read aright the lessons of the past. If so, then farewell to all the benefit we fondly counted upon as we poured out our millions for a free highway, through which we could build new cities, and enlarge old ones, by which an hundred new industries would seek a foothold and development, and by which the people would be the power, and not monopolies. Sir, we can trust the old Commonwealth better and farther than we can trust any private corporation! Let us seek no new ways under which the property of the State shall be controlled and directed, but to the servants, the Governor and his Council, the members of the Senate and House of Representatives, who are directly accountable to the people, who have only a year's lease of power, and who must render a yearly account of their doings. We can trust them, and so trusting we shall hazard no interest, bind no new burdens, and by the eternal vigilance which ensures liberty secure for all the people of the State a beneficent return for the brave and costly enterprise now so nearly completed.

1875

-SUNDAY, JULY 4,

HOOSAC TUNNEL.

The Tunnel and Railway Line—The Work Accomplished by the Corporators—Present Condition of the Work.

As the tunnel and the road connected with it, owned by the state, have passed out of the hands of the corporators and the line operated under a new regime, the present may not be an inappropriate time to consider what the corporators have accomplished during their year of office. It will be remembered that a law was passed by the legislature and approved June 30, 1874 (chap. 403, general laws of 1874), which provided for the appointment of five able and discreet persons to be a body corporate, under the title of the

Boston, Hoosac Tunnel & Western Railroad,

and to continue one year from July 1, 1874.

On the 15th of July, 1874, Gov. Talbot appointed ex-Gov. Bullock, Mayor Cobb, A. W. Beard, S. M. Crosby and P. H. Chadbourne as the board of corporators. On the 23d of July Messrs. Crosby and Chadbourne accepted, while the others declined; whereupon ex-Gov. Washburn, C. F. Adams, Jr., and George C. Richardson were appointed in their places. On the 2th Mr. Richardson declined, and on the 7th of August Solomon B. Stebbins was appointed instead and accepted.

To enable the corporators to carry out contemplated improvements a law was passed appropriating $1,500,000 for the Troy & Greenfield Railroad (chap. 402, general laws of 1874).

On the 6th of August, 1874,

The Corporators Passed Over the Line

of the Troy & Greenfield Railroad and viewed it with an eye to needed changes, &c., and on the 4th of September they appointed Wm. P. Granger chief engineer and Thomas Doane consulting engineer. Having thus completed arrangements, for the better prosecution of the work the board was divided into sections or committees, Messrs. Washburn and Chadbourne being assigned to the duty of looking after the completion of the railroad and tunnel. This work was at once proceeded with, though perhaps in a way that would be open to criticism. Without advertising for proposals, or even ascertaining from surveys what was necessary to be done, they made contracts with N. C. Munson and B. N. Farren for

The Grading and Masonry

on 23 miles of the road—a work involving the expenditure of over half a million dollars. This move disappointed a great many contractors, who supposed that such a large expenditure of public money would not be made without advertising for proposals, as had always been the usage with the governor and council in the construction of the road and tunnel. The work could have been contracted for at very low rates owing to the general stagnation in the business of railway construction; but the corporators preferred, no doubt for good reasons of their own, to employ Messrs. Munson and Farren. The

Work Between the Tunnel and Charlemont

was to be finished Dec. 1st, 1874, and that between Charlemont and Bardwell's ferry on June 1st, 1874.

Soon after two small iron bridges were contracted for without advertisement or competition, and in the same way during the past spring contracts were made for half a dozen other bridges at a price said to be 15 or 20 per cent. higher than other parties offered to do the work for. A large amount of grading and masonry west of the tunnel was also awarded in the spring to Messrs. Rice and Farren without the same being properly advertised. This matter of failing to advertise and take advantage of competition is not one that would necessarily lead to inference of corruption,

Let us now look at

The Present Condition of the Work,

and see what has been accomplished by the corporators during their year of power. East of Bardwell's ferry, with the exception of making surveys nothing has yet been accomplished. Beyond and in the vicinity of the ferry, however, considerable work has been completed. The line has been run further up into the hill, passing behind the present depot, and then crossing the river about 200 feet below the present bridge and cutting through the rocky point west of the river. This reduces the curvature and lightens the grade, the proposed new grade being some ten feet higher than the old one. The cut in the rear of the station is about half done.

A Portion of the Present Bridge Was Carried Away

when the ice in the river broke up. This gap has been temporarily tresseled, but the new bridge may be needed before it can be completed. The new bridge will have three spans of 145 feet each over the river, and three of 50 each at the ends. The east and west piers are laid on a rock foundation, the others on piles. Two piers are started. At one of the sites piles were driven last fall, but they were taken out in the spring, it being found that the ledge was only a few feet below. Several curves are flattened or straightened out between Bardwell's ferry and Shelburne Falls. This has been accomplished by the removal of large quantities of rock and earth, widening out embankments, etc. A heavy bank wall has also been erected to guard against land slides.

At Shelburne Falls

the line is to be carried north of the engine house, and a knoll to the west of the depot has been nearly removed by means of the steam shovel. The Fitchburg Railroad's engines only go as far as Shelburne Falls, and from this point to the tunnel Munson's engines do service. The curve west of the depot at the Falls is being flattened, and the abutments for the bridge over the highway in the rear of Woodward's Hotel are nearly completed. At Buckland station the road crosses Clesson's river some 70 feet below the former site, the curves at this place being thereby considerably straightened. At Charlemont station the line of the road is to be moved south of the row of maples, and also south of the station, and Chickley river bridge is to be placed 0 feet further down stream. No change has been made in

The Deerfield River Bridge;

but in the vicinity several curves have been flattened by cutting further into the hills. There has been more filling in done along the river, where it will have to be thoroughly riprapped to prevent its being carried off by the current. The stone for this purpose is obtained from the ledge along the river, which is being removed for the double track.

At Zoar station a bridge is being built over the brook, and the grade of the road raised considerably. The turnpike road runs outside and below the railroad from Zoar to the bridge over the Deerfield river, and Zoar hill has been cut through by the steam shovel. This is a gravel hill some 100 feet in height. At the island, some two miles below the tunnel station, the curve is flattened by cutting into a ledge and filling into the river.

Between Zoar Station and the Tunnel

three miles of steel rails have been laid, and the track is mostly ballasted.

Gravel suitable for ballasting is scarce, but a gravel pit has been found near the tunnel station, by running up over the ledge. In the tunnel there are some 400 men at work arching, of which there is yet about a mile to do. The work is progressing rapidly and will be done in good season. Between the tunnel and North Adams the road is in pretty good condition. In the

Little Tunnel at North Adams

the roof and the work of widening are about done. One hundred men are at work here. The bottom is to come out some six or eight feet, the grade being lowered to that extent. It looks as if the roof in this tunnel would hold up without supporting it by arching. West of this point, to the state line, there are some 300 men at work, aided by a steam shovel, three locomotives with dump cars, rebuilding culverts, widening cuts and fills, and doing other work necessary to a reduction of curvatures and grades. So far as is known,

The Work Contemplated

to be done may be thus briefly summed up: The line from Bardwell's ferry to Greenfield is to be located at once. Greenfield gives the right of way within its territory, and at a recent town meeting a committee was appointed to get up for signature a petition to the legislature, asking for authority to tax the town to carry out this arrangement. The proposed new line is to start from the depot, curve to the west on the hill skirting the agricultural fair grounds; will cross Green river valley and Pettee's plain, and join the old line near Wakely Hollow. From West Deerfield to Bardwell's ferry the line is to be improved by flattening the curves at various points.

The New Manager's Headquarters

will be at Greenfield, where he is already established. In the meantime, however, the work of straightening is not allowed to interfere with the regular freight traffic along the line. A through freight train now leaves Hoosac tunnel station in the evening for Boston, the return freight arriving at the point of departure about 6 o'clock P. M.

THROUGH AT LAST!

FIRST TRAIN THROUGH THE HOOSAC TUNNEL.

The Passengers and Their Experience—Thirty-five Minutes in the Dark—A Ride Through the Mountain on a Locomotive—"The Hoosac Palace Cars"—A Historical Sketch of the Great Undertaking, Etc., Etc.

[Special Despatch to The Boston Globe.]

HOOSAC TUNNEL, February 9.

Off for the Hoosac Tunnel and through it by rail. It sounds strange, after a quarter of a century of waiting, of disappointment and of jeering at the great bore; but hope is fulfilled at last—a real, "live" railroad train has gone through the Hoosac Mountain, and of course a representative of THE GLOBE was on board of it. Below zero to start with, and thermometers in the region of the tunnel reported at anywhere below twenty, is not a very cheering prospect for an early start from Springfield, and the beauties of the Connecticut Valley thence to Deerfield somehow don't seem to make their usual impression, and even the opening of the Deerfield Valley and its vista of beauty, made more beauteous by the glistening mantle of ice and snow, has less attraction than the glowing stoves, this frosty morning. But we console ourselves with the thought that the tunnel is through and we shall not have to stage or foot it over Florida Mountain; and with this cheering reflection and occasional remarks about the weather, we while away the tedium of a two hours' wait at the little town of Greenfield.

A Frosty Joke.

The newsboy genius of the place, a grown man, in great coat and furs, comes in with a bundle of Springfield Republicans, wherewith to give the townfolk their intellectual bearings for the day, shouts out cheerily that extremes always follow one another, and we are sure to have it hot enough next summer, but somehow the joke strikes us as rather frosty, and we only smile stiffly. Another man says, "Pretty cold, aint it?" and a third party ventures the remark "Pretty cold weather." That strikes us as an original remark, and very funny, but we don't like to encourage original people, and so don't smile at all.

The Start.

The train for Hoosac Tunnel station came at last, late, of course, and we turned our backs joyfully on Greenfield, and set our faces toward the Eastern portal of the tunnel.

On the Road.

A ride over the Troy and Greenfield Railroad was sufficient evidence in itself that the road needs the $1,500,000 which the last Legislature appropriated, and also that very little of it has yet been expended on the road-bed. The contractors, however, are busily working at various points along the road, cutting away the rocky ledges and getting ready to straighten curves, re-locate and re-ballast the road bed in the early spring. As yet, however, little of this ballasting has been done. The road is in a very rough condition, and it was with joy that at last, with a final screech and an extra jolt we find ourselves in the "no thoroughfare" at the head of the Deerfield Valley, staring blankly at the giant Hoosac, into whose bowels the State has cast a dozen millions, in money, nearly 150 lives, and the people pretty much all their patience.

A Glance Backward—Historical.

Just here, before plunging into the great bore and going through it for the first time "on a rail," is an opportune moment for glancing backward, and briefly outlining again the history of the enterprise, already long told at length in the columns of THE GLOBE. Its conception ante-dates, of course, the present Boston, Hoosac Tunnel and Western corporation; ante-dates the projection of any and all of the trunks which hope to form parts of the great chain of the Hoosac Tunnel line of railroads; ante-dates, in fact, the history of railroads in this country. For, prior to 1825, a Board of Commissioners, with Laomi Baldwin at its head, was finding out for the Legislature whether it was feasible to tunnel the Hoosac far a canal, and they thought it was. But the railroad was born, the canal died, and the tunnel project slept till the building of the Boston and Fitchburg road in 1845, and the incorporation of the Troy and Greenfield road in 1848, with a capital of $3,500,000, revivified the idea of a tunnel, this time for the passage through of a great railroad, which, in the language of a sanguine prophet of those days, should "one day become the great thoroughfare from Liverpool to Pekin, and that the Ambassador from the Court of St. James to China would pass up the Deerfield Valley on his way to Canton."

State Aid, Etc.

But it is needless at this late day to go into the minutiæ of that earlier history. Suffice it to recall the beginning of the Troy and Greenfield road early in 1852; the first State loan of $2,000,000 in 1854; the first contract with E. W. Terrell & Co., in 1855, to build the road and excavate the tunnel for $3,500,000; the failure of this and also of a second contract with the same company; the first contract of Herman, Haupt & Co., in 1856, to build the road and tunnel for $6,500,000; the failure of this contract and the making of another with the same parties, in 1858, to complete the tunnel for $4,000,000; the throwing up of this contract and the commitment of the State in 1862 to the completion of the tunnel; the surrender of the property of the Troy and Greenfield corporation to the State in 1862; the appropriation of $3,800,000 more in 1862; the building of the Deerfield River dam, at a cost of $127,727, to secure power for furnishing compressed air to work the drills; the introduction of the new drills and nitroglycerine in 1866; the great accident at the central shaft, whereby thirteen men were killed; the conditional appropriation of $5,000,000 more in 1867; and the awarding of the contract to the Messrs. Walter and Francis Shanly for $4,023,069; their steady carrying on of the work, the meeting of the central and east shaft headings in 1872, the final piercing through of the mountain on Thanksgiving day, 1873, the marvellous accuracy of the lines, and the finishing-up work since, are too familiar to hardly need recalling.

A Road in Bad Shape.

The road from Greenfield to Hoosac Tunnel station is certainly in about as bad shape as a road can be and pretend to be a road, and no one can ride over it without feeling convinced that the full appropriation of a million and a half will be needed to put the road in anything like first-class condition. Standing on the rear platform and watching the painful exactness with which the railroad track conforms to the unnumbered windings of the river, one feels like believing that the legislator was right when he said that if the first builders attempted to locate as badly as possible, they met with wonderful success. The new contractors, however, are going to work with right good will, and already the rugged mountain sides are melting away here and there before the sturdy blows; gullies and sharp inward curves are filling up with the débris, and when the road-bed itself shall have been put through the straightening process and renewed, the present ill-located and worse constructed monstrosity will be hardly recognizable. The contracts for reconstructing this road have been given, as has already been stated in the corporator's report, to Messrs. Farren and Munson. The former has contracted to do the five miles between Bardwell's Ferry and Shelburne Falls, and the latter the remaining fifteen miles to the eastern portal of the tunnel, but the rock and dirt excavations of this latter section have been sub-let to Edwards Brothers of Worcester. Some idea of the amount of work to be done may be obtained from the fact that one single cut will necessitate the removal of 170,000 yards of earth and stone, mainly solid rock. This part of the work is being pushed vigorously, and the valley of the Deerfield resounds daily with the labor of an army of nearly 1000 workmen. Already the track east of the tunnel has been widened to thirty-six feet for a considerable distance and new ties and rails laid; but east of this short stretch of new track the attention of the laborers has been turned entirely to cutting, blasting and filling.

At the Mountain—Getting Ready for the Ride.

But all this while we have been leaving the company of fifty gentlemen or so staring blankly at the Hoosac Mountain, with the temperature ten below and the wind blowing a keen, stinging blast. Assuredly, however, they did not stare long, for the first taste of the mountain air caused a general stampede across the bridge to the hotel, scarce a dozen rods away, but not near enough to prevent several frost-bitten ears and one or two touched fingers. A hearty dinner fortified us all, soothed our wounded ear tips, and set everybody's ears agog to hear what was going to happen next. No one seemed to know exactly, except that it was certain that a train was going through the tunnel somehow, some time. It was after 2 o'clock. North Adams was the other side of the mountain, and the only train whereby those who wanted to could get back to Boston that night left North Adams at 4 o'clock. Evidently it was an object to get through that black hole as soon as possible, and little time was wasted after dinner before the party had donned their wraps and were ready for the tunnel. The managers of that first train were evidently disconcerted at the size of its proposed load, for enough ambitious North Adams youth had walked through the tunnel to swell the number to nearly 100, all determined to distinguish themselves, and have something to tell their grandchildren, by being aboard that first train through the tunnel. A hurried consultation followed, but the managers proved equal to the emergency. The Hoosac Tunnel palace cars were slightly out of repair, but there was a good engine, three flats and a box car, and who, with a whim to humor, was to draw back from such an array. And we literally piled aboard, the dignitaries, such as there were, congregating mainly in the engine cab, with a few in the box car, and the rest standing wherever they could get a foothold; and so the first through train for the West, via the Hoosac Tunnel, started.

Entering the Tunnel.

We may not have had a grand and formal appearance, but we must have looked picturesque. The air was rather chilly for enthusiasm, and ears, cheeks, noses and feet demanded too much attention to admit of much other exuberance. But we were all good-natured; the miners and laborers did not forget to let off a lusty cheer as we entered the eastern portal at 3.05 P. M. exactly (posterity would be miserable if the exact moment of the entrance of that first train were not recorded); and just thirty-five minutes later the train emerged safely into daylight, on the western side, and made a close connection with the train for Pittsfield.

Thirty-five Minutes in the Dark.

Not to have noted the dignitaries aboard, and not to tell just how we all felt during that thirty-five minutes in the dark, would of course be grievous sins of omission; and not to have had scenes and incidents on such a trip would have been profitless and stale. Concerning the sensation, we imagine that it was not very dissimilar to that experienced in passing through an ordinary tunnel, albeit, having no ladies aboard, we were rid of a certain undefined fear that often afflicts mankind in passing through dark tunnels, and having been told, on excellent authority, that there really was danger of goodly masses of rock tumbling upon our heads, we had with us a feeling which, if it was not fear, certainly caused a good many looks upward at the rocky roof, which, however, dropped nothing more harmful upon us than dirty water. The main feeling was one of ever-increasing wonder at the magnitude of the work, as we sped along, sometimes as fast as fifteen or twenty miles an hour, and the minutes lengthened and lengthened, and still nothing was visible but everlasting rock and the murky darkness, just rendered visible by one or two feeble lights. The central shaft elicited a hearty cheer as the train passed it, and one or two familiar spots received like recognition from the miners. The warmth and purity of the air within the tunnel was also noticeable. Otherwise the passage was eventless.

The Passenger List.

As for the dignitaries they were mainly famous, because of the tunnel, or, at least, have become well-known through it. In the cab were Consulting-Engineer Doane and his son; Mr. W. P. Granger, Chief Engineer of the reconstruction of the Troy and Greenfield Railroad; Mr. Austin Bond, Treasurer and Disburser of the Hoosac Tunnel money at North Adams; Contractors M. T. Munson and James Edwards, who are doing the work at the east end of the tunnel, and on the Troy and Greenfield road as far as Shelburne Falls, and N. G. Healey, the master track layer. Also, present and worthy of mention was George Cheney, engineer of the locomotive N. C. Munson, which will be run by him through the tunnel, and his veteran fireman, Samuel Taylor. Mr. Cheney also claims the distinction of being a Boston engineer, and the first one who ran an engine on the Boston Back Bay lands. The youngest passengers were Mr. Cheney's two sons, who rode with their father in the cab. In the box-car were Chief Engineer Frost of the Hoosac Tunnel and a number of prominent North Adams gentlemen, including Dr. E. S. Hawkes, a veteran of seventy-six years, who was one of the pioneers in the Hoosac Tunnel enterprise and has been faithful to it ever since.

Some Incidents of the Trip.

Incidents were numerous. Of course the inevitable Boston drummer was aboard and clamorous to have the fact noticed by the newspaper men. The almost equally inevitable photograph man was also there to take a vivid picture of the train just as it was plunging into the bowels of the mountain, but the weather euchred him by freezing up his chemicals. The pluckiest performance of the day was by Chief Engineer Frost, Dr. Hawkes and Conductor Wright, who drove over the mountain from North Adams and went back with the train. The Shanlys were not forgotten, though absent, the miners giving three hearty cheers for them as the train left the tunnel.

THE HOOSAC TUNNEL ROUTE.

THE THROUGH LINE OPEN AT LAST.

THE FIRST FAST TRAIN ANNOUNCED FOR MONDAY. *June 16 1875*

The Road Thoroughly Constructed and in Admirable Condition—Prospect of an Immense Freighting Business.

(FROM OUR OWN REPORTER.)

NORTH ADAMS, Saturday, July 15.

At 8 o'clock next Monday morning a train will leave the Fitchburg depot in Boston, which, reaching this place at 1 p. m., will keep on its way till, at 3, it will connect at the Hudson with the Western trains over the New York Central. The passage of this train will be an event in the history of the towns and cities in Northern Massachusetts on the "Tunnel line," inasmuch as it is the accomplishment at a leap, of the boasted time of a mature rival. It will be a day of triumph to the enterprising little knot of friends, who, for the last 28 years, have stood by the enterprise, through thick and thin, against the capital of greedy monopolists and the indifference of old fogy legislators. The passage of this, the first train "from the Hub to the Hudson," over a road as well and thoroughly built as any in the country, will demonstrate to those who still doubt, the practicability of a second great trunk line to the West, bringing no one knows how much prosperity to the people along the line, and to the Commonwealth at large.

It is not my purpose to recount in detail the history of the Hoosac tunnel and the Troy and Greenfield railroad, but a short sketch of their history will doubtless be of interest at this time. In 1848 the Troy and Greenfield railroad company was chartered with a capital of $3,500,000 to build a railroad from the terminus of the Vermont and Massachusetts railroad at or near Greenfield, through the valleys of the Deerfield and the Hoosac to the state line, there to unite with a railroad leading to the city of Troy; but for lack of funds but little was done. In 1854 a loan of $2,000,000 was authorized by the Legislature, by the aid of which, and that of liberal subscriptions to the stock of the company by several of the towns along the line of the road, work was at last begun with considerable vigor in 1855. The company was chiefly represented by Herman Haupt, the first engineer and contractor, known afterward in the late war as Gen Haupt, the great bridge-builder, under whose command in Grant's campaign on the Potomac, the long bridge at Aquia Creek was built so quickly. He was a man of almost boundless energy, but the financial infirmities of the company greatly embarrassed him, and in 1862 he abandoned the work, and the Troy and Greenfield railroad company transferred to the State, under the mortgages held by the Commonwealth, all the property of the corporation. After a year of inaction the State took possession of the property, three commissioners were appointed by the governor to superintend it, and a committee of the Legislature visited it every year. The work was carried on in this manner under the direct supervision of the State, with Thomas Doane of Boston as chief engineer, until December, 1868, when, under an appropriation of $5,000,000 by the Legislature, a contract was made with the Shanlys for the completion of the tunnel. These gentlemen entered upon their work in the following March, and from that time on pushed forward the work rapidly to its completion, till, on the 9th of February, 1875, the first train went through the tunnel. The first freight was carried through April 5, and July 8 saw the first passenger train. From that time till the present the business of the line has been rapidly increasing, and during this time the road has presented the hitherto unheard-of case of a railroad doing a good business before any portion of it was out of the hands of the contractors. During the first few years of the State control the road from Greenfield to the tunnel was completed. Owing, however, to the scarcity of funds, it was built in such a way as to require an almost complete rebuilding before it should be fit for the traffic which was sure to follow. Accordingly the whole road, with the exception of that portion between Bardwell's Ferry and Greenfield, was placed under contract with different parties by Mr Washburn, president of the Boston, Hoosac Tunnel and Western railroad company, with the view of rebuilding it in the most thorough manner. In accordance with the provision of chapter 77 of the acts of 1875, the entire line extending from Greenfield to the state line of Vermont, a distance of 44 miles, including the tunnel, was July 1 placed under the exclusive control of a manager, Mr Jeremiah Prescott being appointed to that office. The following statement exhibits the charactersitics of the road at that time:

Length of road from Greenfield to the Vermont state line, 44 miles; aggregate length of side track, 6.1 miles; aggregate length of track as single track, 50.1 miles; maximum grade, 50 feet; minimum curvature, 955 feet radius; Length of steel rail, 23 miles; weight per yard on line, 60 pounds; weight per yard in tunnel, 68 pounds; miles of telegraph, 44; offices operated jointly by railroad and telegraph company, 8; number of spans of bridges 25 feet and upwards, 24; iron bridges (aggregate length, 2134 feet), 10; wooden bridges (aggregate length, 1606 feet), 14; crossings of highways at grade, 22; crossings over railroad, 3; crossings under railroad, 8; highway bridges (18 feet above track), 3.

During the month of July, 1875, surveys were made and plans and specifications prepared for the relocation of the road between Bardwell's Ferry and Greenfield. Contracts for the work were awarded in the fall, and the work has since been pushed forward with satisfactory progress, and the manager expects the whole will be completed before Winter. The running of trains, and the work of rebuilding do not seriously interfere with each other, as most of the way the new line has a complete relocation. The old line enters Greenfield half a mile south of the depot, and all trains are obliged to back down to the junction going west, and to shift at the junction when going east. The new line is over "Pettee's Plain," and crosses Green river, near the Shelburne Falls road, by one of the finest iron bridges in the State. The following table furnished by Chief Engineer Granger gives some of the advantages of this new line over the old:

	By New Line.	*By Old Line.*
Straight,	4.4279 miles.	3.864 miles.
Curve,	3.6701 "	4.817 "
Total,	8.0980 "	8.681 "
Total degrees,	640 "	1123½ "
Degrees per mile,	79 "	129 "
Max. grade per mile going east,	21.12 ft.	32.50 ft.
Max. grade going west,	31.68 ft.	58.63 ft.
Total rise going east,	60 ft.	105 ft.
Total rise going west,	97 ft.	134 ft.
Rise and fall,	157 ft.	239 ft.

It can be safely said that there is not a finer built road in the country than the Troy and Greenfield. Nearly all of the road above Bardwell's Ferry is already equipped with the best of steel rails, and more are purchased and will be put down as soon as the contractors' trains are through running. The tracks for the sidings are made from iron rails, rerolled from the old, and the ballasting, which is nearly done above Bardwell's Ferry, is full and thorough. The track is remarkably smooth and "rides well." The embankment, where exposed to the wash of the river, and hence in danger of being washed out by freshets, is "riprapped" and all the culverts are built of large jointed stones. These, as well as all the other masonry on the line, are built wide enough for two tracks, and finished in the most thorough manner possible. The engineers speak with special approbation of the masonry at the Green river bridge, which was put in by Joel Bassett of Easthampton. At "Hawkes's" ravine in West Deerfield an archway 200 feet long and 16 feet in the clear over the highway, is being built of stone quarried in the notch just above Shelburne Falls. Most of the grading is done except the big rock cut at West Deerfield,

which is the toughest job yet encountered east of the tunnel. This cut is 450 feet long on the bottom, and 80 feet deep in the highest place. The work on this is being done by C. McClallan & Son of Chicopee, and will not be completed before Winter. During the past few weeks Mr Farren has been making wonderful progress in the rock cut at Bardwell's ferry, and last Wednesday his engine went through, though some time will yet be required to finish it to grade. Wherever it has been necessary to put in new bridges, iron ones have been built, and the following is a list of them, all but the last four being already completed, and the rest more or less nearly so:

Over washout near Vermont State line, (double track), 36 feet; Broad brook, (double) 100 feet; Blackington canal, (double), 36 feet; Brown street, North Adams, (double), 30 feet; Hoosick river, North Adams, (double), 106 feet; Pittsfield and North Adams railroad, (double), 92 feet; Ashland street, North Adms, (double), 63 feet; East road, North Adams, (double), 69 feet; Pelham brook at Zoar, (double), 108 feet; Clesson's river at Buckland, (double), 75 feet; Highway at Buckland, (single), 28 feet; Clement street at Buckland, (double), 36 feet; Bear river at Shelburne, (double), 180 feet; Deerfield river at Bardwell's ferry, (double), 585 feet; Highway at Deerfield, (double), 25 feet; Green river at Greenfield, (double), 565 feet.

Of those uncompleted the masonry is all in, and at Bardwell's Ferry all the superstructure is up except one span, which is at Shelburne Falls awaiting transportation. The bridges are all built by the Keystone iron and bridge company of Pennsylvania.

An item of importance to tax payers is the cost of the enterprise, and this, up to January 1, 1876, amounted to $15,123,963.66, of which $3,703,996.08 was on interest account, leaving as total cost of the Troy and Greenfield railroad and Hoosac tunnel, without reckoning interest, up to January 1, 1876, $11,419,967.58. The net receipts of the road from toll, etc., over its 44 miles from Greenfield to the Vermont state line, for the first six months after the opening of the tunnel, and while the entire line was in the hands of the contractors were $13,193.66; the net receipts of the Western railroad the first six months after it was opened from Worcester to Springfield, a distance of 54½ miles, were $14,753.08. What this augers for the future is easily surmised.

It has been reported that the Troy and Greenfield road and the tunnel have been leased by the Fitchburg company, but this report raises a smile with Manager Prescott, who advises the author to read chapter 77 of the acts of 1875. The Fitchburg is the only railroad which has as yet availed itself of the advantages of this act, and the only one which has as yet adopted a time-table, though it will be seen by the provisions of the act that any connecting road has the same privilege. The portion of the road from North Adams to the state line being leased to the Troy and Boston railroad, the only portion available under the act, is from North Adams to Greenfield.

The freight business promises to be very heavy, and has shown an increasing addition each month. The freight combination, known as the "Hoosac Tunnel Line," now embraces 18 railroads, reaching from Maine to the Mississippi, loading and moving 6000 cars, of which the New York Central furnishes 1450, the Fitchburg, Boston and Maine, Troy and Boston, Lake Shore and Michigan Southern, Great Western of Canada, Michigan Central, and the Indianapolis and St Louis, 500 each, the Indianapolis, Bloomington and Western, the Detroit, Eel River and Illinois, 200 each, and the Eastern, the Jefferson, Madison and Indianapolis, the St Louis, Alton and Terre Haute, the Boston, Barre and Gardner, Providence and Worcester, and Toledo, Peoria and Warsaw, 100 each. Other roads can come into the line by contributing their quota of cars, and they are being added monthly.

The passenger arrangements, which go into effect Monday, will put Boston as near Albany, as regards time, as by any other line, and it is well known that the route lies through the most beautiful and romantic scenery in New England. Varied by valley and mountain, overlooking and traversing meadows that rival the prairies of the West in fertility, threading the gorges and spanning the ravines of the Deerfield, and winding amid the hills that tower above like the walls of a vast verdant ampitheater, this route between Boston and the West, running its coaches directly through to Saratoga, must attract a large amount of the Summer travel, besides all whom curiosity or science impel to visit one of the great triumphs of engineering skill of the age. For the present three passenger trains will run daily (except Sundays) each way between North Adams, and Boston; two of which, leaving Boston at 8 and 11.15 a. m., will connect at 1 and 5 p. m., at North Adams for Chicago and St Louis, with cars running through to Saratoga. Returning, the same trains will leave North Adams at 9 a. m., and 4.25 p. m., reaching Boston at 2.15 and 9.45 p. m. The other train, called the North Adams special, will leave North Adams at 5.30 a. m., giving seven and a half hours in Boston and, returning, will reach North Adams at 11.17 p. m. The time allowed for running between Greenfield and North Adams is now an hour and a half, but this time will be reduced to an hour and ten minutes when the road is completed. The time allowed for running through the tunnel is 18 minutes for passenger trains and 30 for freights. By a well regulated system of signals, only one train will be allowed within the tunnel at a time. The signals are to be under the personal control of telegraph operators, stationed at each portal of the tunnel, and the operators, under the direction of the train dispatcher, will always display the danger signal indicating that the tunnel is occupied, and in no case permit a hand-car or train to enter until explicit orders are received from the train dispatcher. No pedestrian is allowed to enter the tunnel, and the greatest precautions are to be taken to prevent accident. Should the business of the road become so great as to require it, two trains can be allowed in the tunnel at the same time, if going the same way, by establishing a signal office at the central shaft, or even four trains by placing signal stations midway between the central shaft and either portal. If necessary to stop trains in the tunnel or coming out of either portal, both torpedoes and red lights will be used, one alone being deemed insufficient for perfect safety.

The relations existing between the officers of the Fitchburg, the Vermont and Massachusetts and the Troy and Boston railroads on the one hand and the manager and officers of the Troy and Greenfield railroad on the other, are such as to warrant a united and determined purpose to make the tunnel line a successful one, and to insure a hearty co-operation for this end; and they all long since gave over the idea of misgivings as to the successful future of the Troy and Greenfield railroad, notwithstanding its cost.

First Train (1)
Through Hoosac Tunnel
Consisting of 22 cars 20 of them loaded with Grain
From
Bardwell's ferry Miller & Evans Dealers, Troy, Ny
For J. Cushing & Co Fitchburg
April 5th 1875
Wm B Stearns Pres
C. L. Hayward
John Adams
C. H. Comee, Asst Supt
E. L. Hartwell, Gen Frt Agent
Wm Gurney Master M
W. Thomas Vail, Pres
Dan'l Robinson, V. Pres
C. W. Moseley, Supt
Jos Randell, Gen Frt Agt

Abstract "B". December.

1863

Dec. 8	Mucker.	Jack Bundrick.	Loading	52.10
" 12		Barr & Littlefield	Loading	822.00
" 12		do	Loading	122.70

THE HOOSAC TUNNEL.

Progress of the Members of the Great and General Court in Their Tour of Inspection —The Underground Pilgrimage and its Attendant Circumstances—Results of the Investigation.

[Special Despatch to The Boston Globe.]

NORTH ADAMS, Tuesday, April 28.

Thus far upon their pilgrimage have come the members of the "Great and General," seeking to know what is the real condition of affairs at and about the great bore which has caused so much disquietude to so many sapient legislators. The members of the committees on the tunnel and on the Hoosac Tunnel line at the Fitchburg station in Boston, Monday noon, did not exceed a baker's dozen; but at Fitchburg and Greenfield the visiting delegation was so increased that a full car-load of State House worthies were jolted over the horribly incomplete line of track running from Greenfield to the tunnel's mouth. It must be said of the committee that the preparations for a comfortable trip, by easy stages, were well carried to completion. The expedition, in charge of the Hon. George F. Verry of Worcester, Chairman of Senate Committee, set out in a special train from the Fitchburg station at 12.40, Monday noon; halted for rations at Fitchburg an hour or so later, when an excellent dinner was served by mine host of the Fitchburg Hotel: took cars again and proceeded to the new manufacturing village of Turner's Falls, where a visit of inspection was paid to the paper mill and cutlery establishment which have already won no small renown. Of the dam, the water-wheel, the grinding of logs of wood into pulp, it is not necessary to speak here; it is sufficient to know that the members of the Legislature looked over all the operations there performed, and expressed themselves as highly pleased. Taking once more the cars, a ride of about twenty minutes brought the party to Greenfield, where the Mansion House was prepared for their reception. At this point, Senator Learned of the Senate committee made his appearance. The party was also increased by the accession of Mr. Brayton of North Adams and Mr. Brewster of Worthington. The Senate committee had not, up to this point, been fully represented, neither Mr. Bacon nor Mr. Bailey being present. There were on hand, however, Messrs. Estabrook of Worcester, Granger, Redmond, Sargent, Hale, Wheildon and Faunce of Boston, Nutting of Northampton, Fitz of Manchester, Hodges of Oxford, Adams of Waltham, Sleeper of Malden, and a large delegation of Fitchburg men, including Messrs. Torrey, Cushing, A. R. Copeland, H. Breed, Broderick, Rich and George Wetherbee. President Stearns of the Fitchburg road and several other gentlemen connected with the railroad interests of the tunnel section accompanied the party, and made the trip as pleasant as possible. On the line of the Vermont and Massachusetts road, where the track now diverges by a sharp bend from the Cheshire road, a little above Fitchburg, was shown the place where it was proposed to make a long curve, saving the "backing and filling" of engine and car from one track to the other, and cutting off several miles of distance; but, alas! leaving the town of Gardner out in the cold. To this proposition the people of the town are, very naturally, unfriendly; but it is quite evident that, if the line is to become a great thoroughfare for travel, it needs to be straightened, not only at the junction with the Cheshire road, but at many other points of river bend or long curve, to accommodate an aspiring town. The track, although not in as good condition as that on the main line between Boston and Fitchburg, is, in the main, well laid. It is on the line between Greenfield and the tunnel, where trains proceed at the primitive rate of twelve miles an hour, that the State or some corporation must devote the best of energies and a great deal of money in order to make it what it should be. After a night's stay in Fitchburg, the committee proceeded, at about 11 o'clock, on their journey, business now becoming the paramount consideration, and, with the report of surveyor in hand, the wise legislators proceeded to argue concerning the advantages or disadvantages of this or that turn in the road. So, under propitious skies, the mouth of the tunnel was, at last, reached, and, donning rubber garments, thoughtfully provided for their use, the committee, with attendant visitors, proceeded to journey the long length of that damp "hole in the hill," of which so much is expected by Boston and the State. Finally, emerging at the western end, tired and "fagged out," as one portly gentleman from Boston expressed the general sentiment, the committee took the best way of getting to North Adams, the Mecca of the day's pilgrimage underground.

Only a part of the committee went through the great bore, the remaining gentlemen preferring to go over the mountain by wagon. The tunnel and its arrangements were closely inspected by the legislative visitors, Mr. Shanly furnishing all needed information. The general opinion seemed to be that, while great progress had been made, it would be impossible to make the tunnel ready for travel by July 1 or before New Year's day at the earliest. The road from Greenfield to the tunnel, in the unanimous opinion of the committee, needs much alteration. Tomorrow, the committee will hold sessions in this town, granting hearings on the question as to whether the State or town shall build the bridge over the town highway, and in regard to certain land damages by the route proposed from North Adams station to the western portal of the tunnel. The committee have worked well during the day, and are evidently determined not to make this a mere junketing trip. The committee are to make a week of it, visiting Troy, stopping along the line and not, probably, going back to Boston before Friday evening.

MASSACHUSETTS.

The Hoosac Tunnel Excursion.

NORTH ADAMS, Mass., April 28. The Legislative Committee arrived at the Hoosac Tunnel to-day at 11 o'clock in a special train of two cars, which started from Boston at 12.30 yesterday. Conductor Faunce had charge, and at Fitchburg Assistant Superintendent Comee, who is posted at the upper end of the road, assumed the management. Assistant Superintendent Adams and Mr. Warren, counsel for the Fitchburg road, were on the train, and President Stearns joined the party at Athol. The company on Tuesday afternoon visited the extensive Russell cutlery works, and the pulp and paper mills at Turner's Falls.

The objects of the two committees who are represented is to examine the several suggestions for change of route made by sundry parties, and laid down on the map in State Engineer Philbrook's report, and to investigate claims for damage. The first involved considerable delay, as many points needed inspection. This official to-day was provided with a very large map. He very carefully and intelligently explained the nature of the proposed changes, some of which would be very important and involve a heavy expense. He also exhibited the places where the most disastrous washing away of the road had taken place during a freshet.

On arriving at the tunnel station those who did not propose to walk through the tunnel went to the mouth and entered for a hundred or two feet. The water was dripping quite freely from overhead and an umbrella or other protection was necessary. On each side were vast columns of ice which had accumulated, and the ground was covered several inches deep with ice and water, making the traveling for some distance awkward and uncomfortable. It is said that the cars take the traveler in, however, about ten thousand feet, where no more of this is seen.

After inspecting the building the company divided, one portion, consisting of Brayton, Hale, Adams, Nutting, Esterbrook, Fitz, Wheildon, Thayer and Dyar, decided to walk through the tunnel, some four and a half miles. They were accompanied by Mr. Philbrick. They were attired in rubber pants, boots caps and coats, and looked quite unlike legislators Another portion, consisting of Senator Verry, his brother, Messrs. Granger, Hodges, Redmond, Davy, Noble, Aborn, Southworth and Sleeper, essayed to cross the mountains. Senator Learned went back to Greenfield and crossed to the Albany Railroad, intending to go to North Adams by that route. Lamb and Decatur returned to Boston.

There was about thirteen inches of snow left at Hoosac Tunnel depot by the storms of Saturday and Sunday, though much had disappeared. There were many vehicles on runners dragging over about equal proportions of mud and snow. Just before the party started Mr. Frost arrived over the mountain with a two-horse team. He reported the snow at many points on the road eight feet deep. The committee will meet the Troy and Greenfield directors at North Adams to-morrow.

MAY 7, 1874.

[For the Traveller.]

The Hoosac Tunnel Line.

The recent excursion of the two committees of the legislature, having the Hoosac tunnel and the Hoosac tunnel line in charge, we are inclined to think had a more practical object in view, and possibly the party were more practical in their observations than some of the committees of former years. They certainly had a very favorable opportunity, notwithstanding the storm which preceded their visit and that which attended it, to examine the line, its construction, the proposed changes, its present capacity and fitness for a largely increased traffic and the possibilities of improvement.

Besides the opportunities afforded by frequent stoppings, the committees were furnished with the recent report of the special engineer, appointed under an act of the legislature of 1873, to make such surveys and investigations as the Governor and Council might think necessary "to enable them to report to the next General Court such plan as they think best for the interests of the Commonwealth to adopt in reference to such tunnel and the Troy & Greenfield Railroad, and the probable cost of improving the same and completing them for railroad service," accompanied by a large map of the route and the proposed changes.

Mr. Edward S. Philbrick, the engineer employed, characterizes the Troy & Greenfield line by saying that, "aside from the doubtful merits of the general location, its details were carried out by the original company on a plan which was more commensurate with their means of payment than likely to produce work suitable for future use." After referring to the damages suffered by the road in the freshet of 1869 and their repair, by which the road was made better than it ever was before, Mr. Philbrick says:

During the past autumn I have inspected, on foot, every rod of the line from Greenfield to the tunnel, not only for the purpose of forming an opinion of the present condition of the road, its safety and repair, but to study in detail such changes of location as might be necessary to bring the line up to some definite standard in regard to curvature, which might be suitable to a road likely to have a considerable traffic, and at the same time within reasonable limits of expense.

Mr. Philbrick thinks the condition of the road as to repair is quite low, and turns his attention first to the improvement of the curves and gradients of the line. He has made, as he says, a separate study of each curve, and proposes changes, if we understand him, in 75 per cent. of the whole road, leaving only 25 per cent. untouched. His estimate of cost for this work, exclusive of land damages, is over a million and a half of dollars, ($1,671,652.) In connection with this matter of curves, Mr. Philbrick makes this important remark:

It is to be observed that the sharpest curves occur either on gradients descending, or but very slightly ascending, in the direction of the ruling traffic, moving eastward, *so that their effect will not be found to limit the length or weight of freight trains.*

The gain in curvature, as stated by Mr. Philbrick, is the difference between 93° and 133° per mile; and this gain on 75 per cent. of the length of the road, it will be seen, is to be made at a cost of about $50,000 per mile. In view of these statements, the immediate expenditure of one and a half millions of dollars for changes of curvature, will be regarded as at least a measure of questionable expediency.

The changes of which we have spoken are all above "Bardwell's Ferry," between which point and a point east of Greenfield, a new line (originally described many years ago by Mr. J. W. Brooks) is proposed, 8 11-100 miles in length, which requires the abandonment of 7 7-10 miles of the present track. This line, it is said, saves a mile in distance in the through line; but it would seem adds about a mile to the actual amount of track. The proposed line abandons Greenfield, passes south by the side of the Connecticut River road, through Deerfield Centre, and crosses that river about a mile below the town. There are unquestionably serious objections to the line proposed. Unless the object be to afford additional facilities to the Boston & Albany Railroad to reach the tunnel, it would seem to be desirable that the location of the Troy & Greenfield road should be to the north of its present line rather than south of it. For many reasons, it seems to us, the line should run on the north side of Greenfield rather than on the south side of Deerfield; certainly as presented in Mr. Philbrick's report, in which he assumes the estimates of Mr. Laurie, the advantages of the new line cannot be regarded as paramount, and they do not appear to be so regarded by Mr. Philbrick, who in summing up the matter says, "These advantages are to be weighed against the local business of Greenfield and Turner's Falls, which may be better accommodated otherwise;" and which is unquestionably very much larger than any amount which Deerfield will furnish. The change, therefore, should it be made, would be made at the cost of Turner's Falls, (with its vast water power and thriving business,) and the town of Greenfield. The point, so far as we could learn, appeared to be understood as we have expressed it by the members of the committee, who with the report and map in hand and the actual "lay of the land" before them, examined the subject.

Another change of line mentioned by Mr. Philbrick, runs through Turner's Falls and Greenfield from Grout's corner. This line is somewhat longer than the present road, requires 9 8-10 miles of independent line, abandons a part of the present line, the branch to Greenfield and a part of that to Turner's Falls. Only two miles of this proposed line fall within the Troy & Greenfield charter—so that, as nearly seven-eighths of it are on the Vermont & Massachusetts road, it scarcely comes within the perview of Mr. Philbrick's commission as defined by the legislature.

In view of the whole subject, Mr. Philbrick, without making any positive recommendations himself, or by any conclusions of his own enabling the Governor and Council to do so, as specially requested of them by the act, expresses himself very sensibly, we think, as follows:

In judging of the propriety or necessity of making such improvements in the Troy & Greenfield Railroad, the only question seems to me to be as to the time when it [they?] shall be done. There is no doubt that the present line is good enough for present traffic, and with a few months' work with a gravel train and a renewal of the track and some additional sidings, it would doubtless answer very well for as large a freight traffic as can be conducted on a single line of rails.

We think, as a general thing, the members of the committees who gave the subject their attention, came to the same conclusion; and the thing to be done by the Commonwealth is precisely that which Mr. Philbrick so decidedly suggests, viz., to put on a gravel train, renew the track where necessary and put in additional sidings; and the reasons are very urgent why this should be done at once, if the tunnel itself is to be utilized when completed. Further improvements can be made, as they have been made on the B. & A. Railroad, as the business of the line is developed and when a second track shall be found to be necessary.

CONCORD, Mass., May 4. W. W. W.

STON DAILY ADVERTISER.
TURDAY MORNING, FEB. 20, 1875.

THE TUNNEL BILL.

A owns a railroad forty-four miles long, of ich thirty-nine are unsafe for a passenger in to be run at the rate of twenty miles an ır, inconceivably crooked, laid with a single ck, and requiring the expenditure of mil- is of money to make it as good as the rage of poor roads. The other five miles through an unfinished tunnel. This road treasure, so A thinks, and he fancies that rybody is longing to seize upon and ap- priate it. There is, however, but one road shed that connects with it. Half of it is ned and the other half leased by B. Curi- ly enough, B does not look upon the mat- in the same light as A. He is afraid to ch it, and asks to be guaranteed that, with control of the line owned by A, he shall lose his dividends. But there is nothing ingenuity. A proposes that in case B consent that forty-four miles of road, on ich there is no local traffic to speak of, ll have the same weight in the manage- nt as his 106 miles; if he will agree to re that influence with whatever other ners of roads may be taken in, leaving A ays his half; if he will agree that any cor- ation building a half-mile of road from ton to Charlestown may divert the whole iness of the road to itself; if he will agree t the forty-four miles owned by A or any t of it may be used by everybody, with ir own motive power, and at a price to be d by somebody else,—in that case A will sent to take in B as a partner. This, in f, is the bill reported yesterday to organize tunnel line.

The bill is one grand mistake, from begin- g to end. The commissioners appointed the last legislature, known as the corpora- s of the Boston, Hoosac Tunnel and West- Railroad Company, reported a bill which s apparently a compromise between two ws. It contained the idea that the State ght to be the controlling power in the line, ough private persons owned three quar- s of the road, and it took away a certain t of the inducement a consolidated line ght have to endeavor to develop a business.

Nevertheless it seemed to be a bill that migh passed, it was better than some that had t with favor, and we hoped that under it nething might be done that would make ful the vast but unproductive property the te has acquired. The committee has de- yed that hope. It has given us a bill tha ders a development of the line impossible. corporation that was not hopelessly ill- naged would consider for a moment a pro- ition of consolidation on the proposed ns. The Fitchburg Railroad Company we w will not. Its directors have refused to solidate at all without a guarantee of divi- ds. The Massachusetts Central,—well, the t rail is yet to be laid on that road, and we not know what it will do when it is born. f we were to speak in detail of all the tures of the bill which seem to us mis- es, there are few sentences that would not pen to criticism. Today we speak of but astoundingly bad provision,—that in the section. The meaning of it is this: y connecting road may have the use of the le or any part of the consolidated line at rice not higher than the line charges for own passengers and freight. That is, any d may skim the cream off the consolidated 's milk. There will be no roads built over more difficult parts of the line, but if a re favorable line can be found anywhere connecting road may enjoy the advan- e of the costly and difficult parts without ing profit. It may take the easy business l leave the hard to the trunk line. The ain result is, that all the business that pay is diverted. As this will be seen in ance, no corporation would be so blind to its interests as to undertake the development of what is now the worst piece of forty-four miles of road in New England.

Is it too much to hope that the legislature will see that the tunnel line, so far from being coveted by existing lines, is one that the State must beg some corporation to develop, and give some inducement to such corporation to do it? The whole problem is a business matter, and it should be solved on business principles. The line should be managed by the owners in the proportion of their interest, and the owners should enjoy the benefit of their property, with the right to charge users of it a reasonable price, whether the users are private persons or railroad corporations. We venture to predict that until these two principles are recognized there will be no tunnel line worthy of the name.

Boston Daily Globe.
THURSDAY MORNING, FEBRUARY 25.

HOOSAC TUNNEL. 1875

The Committee's Bill—Some Comments on the Document from a Stockholder's Point of View.

To the Editor of The Globe:

SIR: The Railroad Commissioners, in their report of January, 1875, say—with an extravagance of language not unusual in that quarter—"It is obvious that during the coming legislative year, as during the last year, public interest in connection with railroad topics in Massachusetts will be concentrated, to the practical exclusion of everything else, upon the issues necessarily involved in the completion of the Hoosac Tunnel." This elaborate idea, so extravagantly expressed as to be essentially untruthful, is a considerable admission to be made by a Board which determined the Hoosac Tunnel problem so presumptuously in 1870, by declaring that "the time had come for a practical attempt at the ownership of railroads by the State," and advising the Legislature to take immediate steps towards assuming possession of the Fitchburg Railroad. Four years have since elapsed, and we are now told that this "legislative year," like the last, is to be exclusively devoted to the yet unsettled problem; but nearly two months have passed since the Legislature met, and, excepting by their committee, the subject has hardly been reached.

The somewhat anomalous corporation of 1874—the corporation not having a dollar of interest in the property under their charge—was organized in the hope of being able to relieve the Legislature of its "muddle" and to propose some plan for the practical use of the tunnel. They projected a consolidated corporation, which had very little to recommend it to the railroad companies directly interested, and which had done so much for the tunnel line as a part of their own, while it held out the most hopeful prospects for the Commonwealth and all the advantages of the line to connecting roads. The report and bill were read and printed, and, so far as we know, have scarcely been heard of since, although the bill was certainly susceptible of improvement. It is supposed, in view of what has since transpired, that these two papers must have gone to the Committee on the Hoosac Tunnel line, who have so materially added to the complications and absurdities as to report a bill absolutely beyond the reach of improvement.

The committee, so far as we know or have been able to learn, have held one hearing, and, thereafter presuming that no further measure of that sort was necessary, no other. The result of their labors is a bill which justifies the most pungent remark that can be made in regard to it—and we think the most truthful—that it is "one grand mistake from beginning to end." The committee appear to be hampered with certain ideas or notions which deprive them of the power of looking at the great interests involved, originally and now, in the projected line of transportation which the tunnel is intended to create or make possible. The bill is objectionable in all its features, not one of which introduced by this committee will commend itself as wise or judicious to the parties interested or to the public. We absolutely recoil, with a feeling bordering on disgust, from any disscussion of its provisions. The scheme which it proposes and covers is absurd; and not only so, but wrong in principle, unjust in practical operation (if it could be made to operate!) and destructive to the prosperity of the proposed line. In the first place, it retains a controlling power over the whole line, however extended by consolidation, lease or hire, in the hands of the Governor and Council (and this instead of the Legislature) standing behind the Directors; and, at the same time, opens the line within the limits of the Commonwealth to any railroad which now has or hereafter may have connection with it; all of these to use their own motive power, and run their own trains over the line and through the tunnel, upon such terms as may be agreed upon, or (as a final resort) determined by the Railroad Commissioners.

The first section of the bill provides for the appointment of Directors by the Governor and Council, who are to have charge of all the Commonwealth's property under the corporate name of the Boston, Hoosac Tunnel and Western Railroad Company; and they are clothed with almost unlimited power to dispose of the Commonwealth property. They are to complete the Tunnel and Troy and Greenfield road, and, if they deem it expedient, may operate the same; hold both open to the use of all other roads that may connect with them; may consolidate with any or all of them; may lease them, or, if necessary, may hire them, if beyond the limits of the State, etc., etc., subject either to the approval of the Governor and Council (instead of the Legislature) or the Railroad Commissioners. Under these provisions, as we have said, consolidation may be made with any railroad in the Commonwealth, so that the Boston and Albany and Connecticut River roads, to say nothing of half a dozen others still nearer, may run their trains over the line at pleasure. It is provided that certain agreements are to be approved by the Governor and Council, by the private stockholders of consolidating roads, by the Railroad Commissioners, and, in some cases, by the Supreme Judicial Court; but neither in the primary organization or any of these cases do the consolidating corporations have an equal or proportional interest. The Commonwealth, with one-third of the line, and, it may be, one-fifth of the capital, must forever have a controlling power, if not in the proportion of the Directors, certainly in the reserved power of the Governor and Council, whose approval, instead of that of the Legislature, is made essential to every important act. It is almost superfluous to ask, as it is absurd to suppose, that any Massachusetts railroad now built will enter into any such consolidation.

The fourth section of the bill provides for consolidation—if any corporation can be found willing to sacrifice its property in such a scheme, when it will fare better out of it than it possibly can in it—and allows to the consolidating parties, whatever number of millions they may represent, five Directors, as on the part of the State; the ten are then authorized to choose a President, who becomes, ex-officio, the eleventh Director. The contest here may be—experience suggests the possibility of the thing—which five shall influence in the right way one of the other five. Subsequent proceedings, leases, contracts, commissions, etc., must be decided by the President's casting vote in case of division. It would be ruinous for any well-managed railroad, doing a present business, to go into such a scheme as this, which, in our judgment, if carried out would jeopardize the prosperity of the whole line.

The plan is especially unjust to "the rest of the railroads forming the line from Boston via Fitchburg and Greenfield to Troy," who (according to a contract signed by the Commonwealth) were "willing to pay such just proportion of their earnings from business which may pass through said tunnel, or over said road, as shall be an equitable return for the benefits received"—and who have paid, at heavy cost, twenty per cent. of their gross earnings from all business, freight and passenger, which has passed over any portion of the State road, and continue to pay the same, which they have done and do under the hope of a prospective benefit, now proposed to be offered in a sort of scramble to all outside corporations.

So that in the arrangement of terms for the use of the Troy and Greenfield road and tunnel, the parties to this contract, besides paying the rates per ton of freight, or per passenger, charged to other corporations, will be liable to twenty per cent. of their gross earnings in addition; that is to say, where outside corporation would receive one dollar and sixty cents ($1 60), for their service, after paying the charge of the Commonwealth, the parties to the existing contract would receive one dollar and twenty-five cents ($1 25).

The policy, the equity, the justice, the propriety, nay the common honesty, of such a scheme as this may well be questioned. Giving to the Commonwealth's agents (with one-third of the line within its limits under their charge), one-half the Directors and controlling authority over the whole, however extended by consolidation and lease the line may become; and giving to all outside roads, whether running north, east, south or west, that are able to make the required connection, the same privileges and terms as those which form the line and risk their whole capital in the enterprise—both of which this bill proposes to do—sure we are that no consolidation can be made under it by any living road in the Commonwealth, and parties interested may well be wholly indifferent whether the scheme becomes a law or not.

STOCKHOLDER.

SUNDAY, JULY 16, 1876.

THE HOOSAC TUNNEL.

The heading which we have placed over these lines, so far from inviting the attention of our readers, may induce many of them to turn their eyes away; but, nevertheless they will see that a work which has engaged the attention of the people and the Commonwealth for one quarter of a century which has cost almost as much in legislation and speech-making as it was at first thought would be required to construct it—when such a work is finished and has become available for all the purposes for which it was undertaken and earnestly persevered in, the subject is worthy of consideration. The Hoosac Tunnel was first suggested, if not in fact proposed, by Colonel Loammi Baldwin, civil engineer, in 1825, for the purpose of a canal, and its estimated cost at that time, was stated as follows:

"Hoosac Mountain Tunnel, four miles in length, at $230,208 per mile, $920,832."

The statement seems ludicrous, and the estimate per mile, one might now almost believe, was intended to be *per foot*, which we judge could not be far out of the way! It is a little singular that General Hoyt, who surveyed the route through the Deerfield valley in 1825, in speaking of this proposed tunnel, should say "a tunnel four or five miles through the mountain, composed of primitive rocks, would be a Herculean task—probably too great for the contemplated object"—an opinion on the subject at that time which we do not remember to have seen in print. General Hoyt, if he were now living, would be amazed to find himself passing through a tunnel under "the lofty Hoosack." Still the work is done, and barring all the delays and drawbacks, conflicts, controversions and discussions, which have occurred to embarrass and add to the cost of it, it is an honor to the enterprise of the Commonwealth, and we have reason to believe, considering the character of the mountain and the material, that it is today the greatest work of civil engineering in the world; if not actually this, it is fully equal to any other, although the Mount Cenis tunnel somewhat exceeds it in length. That it is to be beneficial to the Commonwealth which has built it, and promotive in a very large degree of the prosperity of its commercial city, there can be no reasonable doubt.

Besides the commercial importance of the Tunnel line, which, of course, is its great interest, it has claims as a line of intercourse for business purposes between the populations of the East and West, and also as a line of pleasure travel, hardly to be excelled in the New England States. The scenery of the whole line, and especially between Greenfield and North Adams, is of the most interesting character, full of variety and picturesque beauty; now skirting along on the river bank nearly on a level with the stream and now far above its bed, and all the way winding among the mountain ridges that seem to make a further passage impossible. In this view and in the future, the Hoosac Tunnel line across the State of Massachusetts, and in its narrowest portion, from boundary to boundary of the State of Vermont; thence on to the great summer resort of the country; to the falls, the lakes and the Pacific Ocean, has attractions and advantages inferior to no other line on the continent. Now that the Tunnel is finished and in order for the first through train on Monday morning, the problem is its proper ventilation. For this purpose several methods, more or less expensive, have been proposed, some one of which, after the necessary experience in its use, will probably be adopted. The passage of a Pullman train, with its freight of human beings, under the everlasting hills for four and a half miles, nearly 2000 feet below its surface, is no ordinary event to a thoughtful man. It may even seem weird while it shows itself to be real. L. W. W.

THE HOOSAC TUNNEL.

Prospect of the Adoption of a Settled Policy.

Correspondence of the Traveller.

GREENFIELD, July 21, 1875.

An important meeting was held at this place to-day, to arrange matters connected with the Hoosac Tunnel and the Troy & Greenfield Railroad. There were present His Honor the Lieutenant Governor, the Council Committee on the Tunnel, Hon. George O. Brastow, chairman, Messrs. Jeremiah Prescott, the manager of the tunnel, B. Farren, the contractor for arching the tunnel, representatives of the Fitchburg Railroad and others. The object of the meeting was primarily to settle the contract with Mr. Farren for the arching. Mr. Farren agrees to finish the arching of the tunnel and deliver it in a completed state to the State authorities next spring, the first of June, 1876, being the farthest date named. Mr. Farren has now some five hundred men at work in the tunnel, divided into day and night gangs. In order to allow the passage of the freight from the West seeking Boston through the tunnel, Mr. Farren in his contract agrees to allow a limited number of trains to pass through the tunnel daily, care being taken not to increase the number of trains at present, so as to endanger the public or the workmen, or hinder the finishing of this great work in time to make its benefit practical.

In regard to the insinuation made in some of the Boston papers that the tunnel is virtually in the control of the New York Central, I can say from the best authority that the statements made in the *Traveller* are not only substantially, but entirely correct. The New York Central Railroad has no control of the tunnel beyond its connection as a western inlet to the tunnel. When it was necessary to make some kind of an arrangement in order to perfect the provisions of the toll-gate bill of 1875, the New York Central Railroad was prepared to make such an arrangement. The Fitchburg Railroad corporation was the only available party to do eastward from the tunnel what the New York Central did at the westward, and the Troy & Boston was the intermediate link. There has been perfect harmony between the managers of these three corporations and between these corporations and agents of the State. Looking from Troy as a standpoint, I was surprised to see the volume of business that is awaiting the completion of the tunnel. If Mr. Farren can admit five trains through the tunnel in every twenty-four hours, it will approximate to an accommodation, though twice this number would not suffice. These facts were known to the managers of the New York Central, the Troy & Boston and Fitchburg Railroads, and at an immense outlay they made their preparations. But it would be poor policy to obstruct the work of finishing the tunnel for a mere temporary advantage, and I think the several corporations are willing to yield to the exigency that demands the completion of the tunnel first. In regard to tariffs, all statements are mere speculation, and speculations are always at fault. There can be no settled tariff till after the State's work is completed in full, and the tunnel and road delivered over to the manager. That the policy of the State is to reduce to the minimum cost in transporting freight and passengers cannot be doubted; any other policy would defeat the object for which the tunnel was built. The work of improving and straightening the line of the road, west from Deerfield to the eastern portal of the tunnel, is being well and thoroughly done, and in places some of the work, especially at Bardwell's Ferry, is a miracle of engineering science. M.

BOSTON HERALD.

TUESDAY MORNING, JULY 18.

NEW PASSENGER ROUTE TO THE WEST.

The new line to Chicago and the far West was inaugurated yesterday, when the first express passenger train, each way, was run through the tunnel, making, both ways, connections with the Troy & Boston road, the New York Central, Lake Shore, Michigan Central and Canada Southern to Chicago, and all the connections beyond that point. The opening of this line for freight, which was partially accomplished six months ago, and for passenger travel, is of great importance to Boston, aside from any competition with the Boston & Albany line, as it is believed the business to be done will require all the facilities the two lines are able to furnish. When the first passenger train reached North Adams yesterday at half-past 1 o'clock, the bells were rung and there was an extemporized reception given to the passengers. The running time from Boston was five and a half hours, and this will probably be reduced to five hours when the improvements in the Troy & Greenfield road are completed. In passing through the tunnel, at ordinary speed, in less than eighteen minutes, not the slightest inconvenience was experienced from smoke or dust. The cars were lighted and the flaming torches of the attendants in the tunnel occasionally lighted up the interior, showing its walls and its stream of water, and literally making "darkness visible."

The trip from Boston to North Adams and return occupied less than twelve hours, deducting the time passed at North Adams, and was much enjoyed. The train reached the Hudson River at 3 o'clock, connecting with the trains of the New York Central four track road; and the tunnel has accomplished its purpose in making the shortest route from Boston to the Hudson River and the West.

THE HOOSAC TUNNEL.

Important [illegible]n by the Governor and Council [illegible] Present Rates over the State Road t[illegible]main in Force, Subject to the Approval of Arbitrators.

July 17 '79

The executive council met yesterday and in addition to routine business passed the following order:—

Ordered, That the following form of an agreement be proposed to the Fitchburg Railroad Company:

It is agreed between the governor and council and the Fitchburg Railroad Company that three arbitrators shall be chosen by mutual agreement of said parties. That the present tolls for the carriage of freight and passengers by said railroad company over the 37 miles of the State's road now operated by said company shall remain in force except that said arbitrators shall consider and by a majority thereof determine what rebate, if any, will enable the said company to operate said 37 miles of said road without loss, including therein all expenses properly chargeable to such operation; the time covered by said arbitration shall be from April 1, 1879, the date of said company's last settlement and payment of tolls into the treasury, to January 1, 1880; the governor and council being advised that they have no authority to consent to any agreement directly or indirectly taking from the state treasury any money from tolls already actually paid into it, and that such authority is alone in the legislature. Said rebate so determined shall be allowed to said company; but, in any event, no rebate or allowance shall be so great as to bring the amount of tolls paid to the Commonwealth for said time less than the expenses incurred by it during that time in the operation and maintenance of the said thirty-seven miles, except such expenses as it may incur over and above 37-44 of 9-12 of the $80,428 30 expended by the Commonwealth in operating its said road for the year ending September 30, 1878; it not being intended to subject said railroad company to the risk of making the State good against the possibility of unreasonable operating expenses and maintenance on the part of said State, and those of last year being regarded as a fair basis.

It is also agreed that in case any other railroad company shall enter upon and perform any business over that portion of the Troy and Greenfield Railroad run by the Fitchburg Railroad Company, said other railroad company shall account for its proportion of the amount to be retained as above, to be determined in case of disagreement by said arbitrators. Said reduction or rebate to be continued after January 1, 1880, until one month's notice by either party, or until action in the matter by the legislature.

It is further agreed that said arbitrators shall at once decide, as near as they can, what expenses—an accurate account of which shall be kept and rendered—will be considered in the matter of cost; and upon report thereof, the manager is authorized to allow said company to retain such a percentage of the gross earnings as heretofore made as may be sufficient to cover the rebate, if any, until the award of the arbitrators is made, and the balance shall then be adjusted between the parties. In case said manager and said company cannot agree on the amount of said percentage to be so retained, it shall be fixed by said arbitrators.

AY, JULY 19, 1876.

THE OPENING OF THE THROUGH HOOSAC TUNNEL LINE.

A Sketch of "The Great Bore"—Its Cost and Advantages—Comparison with the Mt. Cenis and St. Gothard Tunnels—Scenes along the Line from Boston to Saratoga.

The opening of this route on Monday last was the culmination of one of the most important enterprises undertaken in this part of the country, the greatest interest being taken in it from the start by the people of our own State; many questioning, during its construction as well as before its commencement, the feasibility of the project, but all uniting in a hearty thanksgiving at its completion. As early as 1827 surveys were made for the purpose of ascertaining the best route for a railroad from Boston to the West, but it was not until April, 1848, that a report was made to the Legislature that the cost of a railroad and tunnel from Greenfield to Williamstown—a distance of 43¾ miles—would be $3,000,000, the tunnel itself, four miles in length, needing $1,950,000 of the above sum; other estimates about this time placing the cost of the tunnel as high as $3,000,000, and from four years seventy-nine days to ten years the time required for its construction—time having shown us that the largest estimates both of money and the period needed for its completion were far too small. In 1848 a charter was granted to the Troy & Greenfield Railroad, at which period it was no doubt expected that a tunnel through Hoosac Mountain would be built sooner or later, but little was done for several years, with the exception of much being said for and against it, especially by the managements of other and rival lines between Boston and the Hudson River; ending in an act approved by the governor April 5, 1854, providing for

THE FIRST STATE LOAN

of $2,000,000 to enable the Troy & Greenfield Raiload "to construct a tunnel and railroad under and through Hoosac Mountain, in some place between the 'Great Bend' in the Deerfield River in the town of Florida, at the base of Hoosac Monntain on the east, and the base of the west side of the mountain near the east end of the village of North Adams on the west." After the act of 1854 had been passed, a contract was made with E. W. Sewell & Co. to build the tunnel for $3,500,000, but little progress was made in about two years, at which time H. Haupt & Co. became nterested in it. Up to this date the work had been done by hand drilling, but Haupt & Co. concluded to introduce a "boring machine," which was to go through the mountain at a wonderful rate, but which after a while changed its quarters at the tunnel for those of a junk shop, where the $25,000 machine went for a song.

A report from a committee May 5, 1857, gave the penetration made at the east end as 21 feet and at the west end as 185 feet. Finally, in July, 1861, H. Haupt & Co. having failed to complete the prescribed amount of work, they were obliged to give up the contract, the east end having been pierced 2394 feet, and on the west side a cutting 600 or 700 feet having been made, and work on the rock commenced.

For nearly two years nothing was done, work being resumed under the auspices of the Commonwealth in October, 1863, during the next few years, the introduction of the drilling machines and nitro-glycerine greatly advancing the progress of the work, but at last it was thought best to make the contract with the Shanlys for its completion, the contract being signed by the governor Dec. 19, 1868.

AT THE END OF 1869

the east heading was 6552 feet from the eastern entrance, and the west heading had reached 4505 feet from the western, leaving but 13,974 feet between them.

Work now progressed very steadily, so that on Wednesday, Nov. 26, 1873, there were but seven feet to be removed, through which thickness of earth and rock a hole had been drilled the night previous, the final blast of the 27th opening the tunnel so that people could pass from end to end. At the close of business on Saturday last, the amount paid on loans and for the construction of the Troy & Greenfield Railroad and Hoosac Tunnel was a little less than $16,769,000, *and over twenty years* have been required to finish it.

What have we gained by such an expenditure of money? is a question which one may naturally ask himself. Although the cost has been more than three times some of the earliest estimates, and double the time, yet we have in this route the shortest one to Albany and Troy from Boston, being five miles shorter than the Boston & Albany to the former place and seventeen miles shorter to the latter; and, as compared with the Rutland line, it is about seventy-nine miles shorter to Troy and the same to Albany.

The highest grades are only about fifty feet to the mile, both of the other lines being much heavier. Thus we have gained the shortest line from Boston to the Hudson, with the lightest grades, finest scenery, and needing only a competitor to the New York Central road to demonstrate its superior advantages.

As compared with the

MT. CENIS AND ST. GOTHARD TUNNELS,

it is shorter than both, being very nearly 4¼ miles in length, and the longest one on this continent; the Mt. Cenis being eight miles in length, begun in January, 1861, and finished in December, 1870, employing from 3000 to 4000 men and costing about $15,000,000, and the St. Gothard, 9¼ miles long, begun in 1872, at which time it was expected to be completed in 1880, at a cost of about $10,000,000, which estimates will undoubtedly prove too small.

Great preparations have been made by the Fitchburg Railroad for the expected traffic on many portions of the road, but especially in Charlestown, where new tracks, wharf room and several freight houses have been built.

Probably over a million of pounds of explosives were used in the opening of the tunnel and in the neighborhood of eighty or one hundred people killed since its commencement. At present the through trains for Troy, Saratoga and the West leave at 8 A. M. and 11 A. M., reaching Troy at 2.35 and 6.50 P. M. respectively, and returning leave Troy at 7 A. M. and 2.45 P. M., the train leaving Saratoga 12.40 P. M., connecting with the latter at Troy, the trains from Troy reaching here at 2.25 and 9.35 P. M.

Leaving Boston yesterday morning at 8 A. M., from the Fitchburg Railroad, your correspondent found himself in the Saratoga train. There are no parlor cars just now on the line, but some are expected in a day or two. The road bed is in excellent condition, while the speed attained is fast; and as the train flew along, glimpses were caught of many improvements being made in the suburban towns; while the shady woods and inviting lakes were suggestive of the enjoyments to be found in the country. Before reaching Leominster a charming view is to be had of the town and surrounding country, Fitchburg being reached at 9.35, where a fresh locomotive and numerous passengers were taken, and a crowd was at the station to see us off.

Many improvements on the line of the road are being made near the city, and at Ashburnham the new cut-off is making rapid progress, its completion being expected in about a month. The train being supplied with the Miller platform and air brake, a feeling of perfect safety is experienced as we speed along; and soon striking Miller's River, at Royalston, a series of very pretty views is presented, Athol with its fine station being passed, and magnificent views of the Connecticut River being obtained as it is crossed after passing Montague. At Greenfield another cut-off is being made, and as far as Bardwell's Ferry, where a new iron bridge, 585 feet long, has been built, an immense amount of heavy work is being done, which, when completed, about the close of the year, will enable the time to be much shortened. The valley of the Deerfield River is now followed to the entrance to the "tunnel," the scenery being very grand as one nears it. The reconstruction of this portion of the road is now about finished. Entering the tunnel we were soon lost in darkness, passing men with torches in three places, who were either watchmen, or as in one case workmen repairing the tunnel.

Seventeen and a half minutes were consumed in passing through, when we reached the valley of the Hoosac River, and soon were at North Adams. The Troy & Boston road from North Adams to Troy was found in fine condition, but few stops and rapid speed being made as we wound down the fertile valley, surrounded by hills. Troy was reached on time at 2.35, and after sufficient time for dinner, the train was again taken for Saratoga, reaching there about five o'clock.

Saratoga, July 18, 1876. QUINCY.

Daily Evening Traveller.

THURSDAY, JUNE 11, 1874.

"CHANGING GROUND!"

The Senate on Wednesday, in substituting Senator Bailey's bill for the Learned bill, did not change ground, as alleged by the Daily *Advertiser*. The vote of the Senate last week, passing to a third reading the Learned bill, was simply a convenient parliamentary method of keeping the subject in possession of the Senate for the purpose of adopting a suitable substitute, and did not indicate that the Senate had taken ground in favor of the bill.

But there has been a very material "changing ground" on the part of the advocacy of the Learned bill, or of any bill to make a monopoly of the Hoosac Tunnel. Up to a recent date the advocates, not only of the Learned bill, but also of every one of the monopoly, consolidated line bills, have claimed that their several bills made ample provision for all railroads connecting with the tunnel line to have equal advantages in the transportation of their business over the Troy & Greenfield Railroad and the tunnel. But on this point there is now a "changing of ground"; the cloven foot sticks out; the cat comes out of the meal. *Some* consolidated line bill is now openly advocated on the express ground that it is necessary to give some one corporation the inducement of a monopoly of the tunnel in order that the necessary provisions may be made to take the business to and from the tunnel. We have repeatedly warned the public to beware of this cat in the meal. The real and only pith and marrow of this whole controversy about the disposition of the tunnel has been exactly this and nothing else: Shall this great work of the State be monopolized by a single corporation, and all the interests of all parts of the State be made subservient and tributary to the profits of its stockholders; or shall the tunnel be kept open for the benefit of the whole people, to be used on equal terms by any and all lines, which may from time to time be needed by the developing wants of the merchants of Boston or the manufacturers and farmers of the different sections of the State? The consolidated-linists have been pretending that they meant fair play and equality to all lines. They now change ground, throw away their pretences, and openly avow that they mean a monopoly, and that in dealing with the tunnel they would turn their backs upon the established policy of Massachusetts, and go back to the exploded doctrine of railroad monopoly, which prevailed when the first charters were granted, but which was abandoned nearly forty years ago.

If the country between the valley of the Connecticut and the Hudson river were by nature an ordinary level country, would the proposition be made by any sensible man to establish a monopoly line of transportation over the interven-

ing territory? If not, then much less should the proposition be entertained by the legislature to grant a monopoly over a passageway which has been created by the money of the people of the whole State. The private capital and enterprise of the merchants of Boston and of the people of the State will be sufficient for the necessities, as they have been in the construction of railroads elsewhere.

The talk about a "toll-gate system" and the breaking of the continuity of a through line by the holding of the tunnel by the State is but babyish babble, and utterly unworthy of the consideration of men. If the tunnel and forty miles of railroad belonging to the State were owned by a private corporation and liable to be managed for the sole purpose of squeezing the last possible cent from the passing business for the benefit of the pockets of the stockholders, and also liable in the interests of its stockholders to favor certain parties to the disadvantage of others, there might be some show of sense in this talk. But with the State holding this bridging, connecting link between the several lines east and west of the mountain, and having no possible interest in its administration except to give the best possible opportunity for the speediest passage and easiest terms to all business alike, there is absolutely no analogy to the supposed case. There would, however, in case the consolidated line policy should be established, be a "toll-gate system" enforced in the grasping interest of the stockholders of the monopoly upon all railroads outside of the monopoly line.

Legal phraseology is answerable for the contradiction involved in terming a suit to recover from the Commonwealth property that has cost it more than eighteen millions on the payment of something less than two millions "a bill in equity." It is probably not safe to sneer at the pretentious claim preferred by the old Troy and Greenfield Railroad Company,—a corporation that had almost forgotten its own existence many years ago,—because, although there is not the smallest flavor of "equity" in it, there is always some danger that such a suit may be decided rather in accordance with a lawyer's construction of the law than with the obvious intention of the legislature which passed the law, or with common sense. It is too early yet, nevertheless, to discuss the claim at length. Indeed, one almost loses breath and needs time to recover self-possession on being told that the State undertook the completion of the Hoosac tunnel without protecting itself against such audacious claims as that now presented; and that the company, which was so poor that it could not raise any capital at all when the Commonwealth took possession, was then ready to complete the tunnel for a sum within the estimate of two millions for the entire work.

BOSTON:

WEDNESDAY MORNING, JAN. 22, 1879.

THE TUNNEL AND THE STATE.

Suit Against the Commonwealth—A Bill in Equity by the Troy and Greenfield Railroad Company for the Redemption of the Hoosac Tunnel and the Railroad—The Grounds on which the Claim is Made.

A bill in equity has been brought in the supreme court for Suffolk county by the Troy and Greenfield Railroad Company against the Commonwealth, for the redemption of the Hoosac tunnel. The bill recites the act of incorporation of the Troy and Greenfield Railroad Company, dated May 10, 1848, and the act of April 5, 1854, authorizing a loan of the state credit to enable the Troy and Greenfield Railroad to construct the Hoosac tunnel, in pursuance of which that railroad made a mortgage upon its property to the Commonwealth to secure the payment of $2,000,000. It gives the various changes which were made by subsequent acts, and refers especially to the acts of March 26, 1859, and April 4, 1860, prescribing the dimensions and the details in the construction of the tunnel. The bill then sets forth that on the 28th of April, 1862, an act was passed by the legislature providing "for the more speedy completion of the Troy and Greenfield Railroad and Hoosac Tunnel," whereby provision was made for the surrender of the railroad, tunnel franchise and property of the Troy and Greenfield Railroad to the Commonwealth under the mortgages, for the completion of the road and tunnel by the Commonwealth, the act expressly providing that "the right or redemption shall not be barred until ten years have elapsed after said road and tunnel are completed and the same open for use." In pursuance of this act the Troy and Greenfield Railroad surrendered to the Commonwealth its property, and the Commonwealth has since remained in possession of it, and in receipt of the profits therefrom.

The plaintiff alleges that the surrender was made at the special instance and request of the Commonwealth, in order to enable the State to complete the road and tunnel in a more speedy manner than the Commonwealth deemed that the plaintiff would be able to do, and it was the express consideration of the surrender that the road and tunnel should be held and completed by the Commonwealth for the Troy and Greenfield Railroad Company, according to the then existing plans and locations of the railroad company, and that the total amount of all the expenditures and advances to be made by the Commonwealth in the completion of the road and tunnel chargeable to the plaintiff should not, with the amount of state scrip already loaned to the road, exceed in amount $2,000,000. It is further alleged that the plaintiff is desirous of redeeming the mortgaged property; that, according to the terms of the surrender, the total amount of all the expenditures and advances to be made by the Commonwealth in the completion of the road and tunnel chargeable to the plaintiff should not exceed $2,000,000, exclusive of $200,000 advanced to purchase the Southern Vermont Railroad, and the total amount of such expenditures and advances chargeable to the plaintiff were fixed and liquidated at that amount; yet from responses made by the treasurer of the Commonwealth to demands made by the plaintiff it appears that the net cost of the railroad and tunnel to the Commonwealth is $18,854,024 57, and the treasurer expressly declines to agree with the plaintiff as to the sum due and to be paid for the redemption of the property. It is further alleged that even if the Commonwealth is entitled to recover for all reasonable repairs and improvements made by the State in completing the road and tunnel before the right of redemption can be exercised, that the expenditures and loans made by the Commonwealth in excess of $2,000,000 in completing the road and tunnel were not made for reasonable repairs and improvements, and that the proper charges against the plaintiff for the completion of the road and tunnel, and for reasonable repairs and improvements, in accordance with the act of 1862 and the terms of surrender, would not, with the amount of loans previously made, exceed the sum of $2,000,000 exclusive of the amount advanced for the Southern Vermont Railroad; and that a proper deduction from the amount expended by the Commonwealth of all useless, wasteful and unnecessary expenditures would reduce the amount due to the Commonwealth as mortgagees for all expenditures made on account of the road and tunnel to a sum less than $2,000,000. The plaintiff being unable to agree with the treasurer as to the sum due by the plaintiff under the mortgages, brought this bill in equity to redeem the road and tunnel, asking for an account, and that the plaintiff may redeem the mortgaged property upon payment of whatever may be found due on the mortgages. The bill sets forth the claim of the plaintiff at length, and a large number of acts, mortgages, deeds and other papers are annexed. Counsel appearing for the plaintiff are E. R. Hoar and D. W. Gooch of Boston, Joseph H. Choate of New York and John C. Bullitt of Philadelphia.

It is stated that a written contract has been made with one of the wealthiest banking houses in the country, by which the necessary funds will be secured for a tender when the amount to be paid has been judicially determined.

TRANSPORTATION.

MEETING OF MERCHANTS

A[illegible] BUSINESS MEN.

[illegible] tunnel. [Applause.] Let the State of Massachusetts contribute all she has spent to bore the mountain to the commerce of the State [applause], and let her estimate the tunnel at the cost. Gentlemen, I said at the commencement of my remarks that the first thing we had to do was to finish the tunnel. We are called here, as I stated, in response to a universal sentiment and feeling in the community, and first, we wish to repeat that the legislature should not adjourn without some action in regard to that road. [Applause.] But I cannot forget at this time that while for one I am confident of the position, the geographical position, of the city of Boston, so far as the great trade of the West and the North and the East is concerned, I cannot forget that we have other connections than the Hoosac tunnel. I cannot forget that it is 442 miles from New York to Montreal, while it is only 337 from Boston to Montreal. I cannot forget that grain loaded at Chicago can go down the lakes and the St. Lawrence and be brought by four lines now established and being established from that great river to Boston. I cannot forget that the city of Boston is nearer to the great ports of Europe than the city of New York. I cannot forget that if the people of the United States remove the obstructions to trade with which the red tape of the custom house and the revenue laws are crippling it; if they will remove them [applause], then we shall be able to have other lines which will give us all that we require to make Boston one of the greatest seaports upon the American continent. [Applause.] And more than the St. Lawrence, there is another project worthy of your investigation and consideration, and that is the Caughnawaga Canal, which should interest in the Canadas a sympathetic trade between us, and lead to the development of that, the grain from the West will come down from the great waters to Lake Champlain and there find an outlet through the port of Boston to Europe. [Applause.]

Gentlemen, I have occupied more time than I intended in introducing this subject, but as I am now about to proceed to introduce the speakers I wish to say one thing. This meeting is called by the Boston board of trade. The meeting is called [illegible] the commercial men, the business men of Boston; and I wish to say here now, at the commencement, as we answer to the call, as we make our appeal to the legislature and to the State, we wish it understood that it is not alone the call of the merchant and the trader, the call of banker and broker, or the manufacturer; it is the call and for the interest of the workingmen. [Applause.] It is for the workingmen, for the toiling thousands who work from the rising to the setting of the sun, and by the sweat of their brow earn each day their daily bread. It is in their interest as well as [illegible] that we appeal for these improvements, and we ask for their instant consideration. It means cheaper transportation; it means progress; it means more labor, and it means cheaper bread. [Applause.] Gentlemen, I now have the pleasure of introducing to you Henry Mayo, esq., of Boston, who will address you in following up my remarks. [Applause.]

REMARKS OF MR. HENRY MAYO.

State's cost, or the commerce of Boston and the West be taxed by tolls.

The great expenditure has been made not for an instrument for a yearly income to the State in dollars and cents, but for the public good, and the public good is not advanced by placing the burden of this immense expense upon the business of the new competing line. As all parts of the State have been taxed for the expense of the State's portion of the line, so all roads connecting directly or indirectly should have equal facilities and rates. That all parts of the State may be fully protected, and the public good best served, let the State have the appointment of the majority of the trustees of the new corporation; but beyond this appointment by the State of the majority of the trustees let the corporation be as independent and untrammelled as any other railway line, subject to the general laws like all others. The corporation being thus placed on a sound financial basis, the State should have no further liability beyond its ownership in the corporation, and all expectation of further financial aid from the State should be forever dismissed.

One word as to the scheme of a competing line through New York to Lake Ontario. Without discussing the merits or demerits of this scheme, let us look at existing facts. For a generation we have been endeavoring to reach the Hudson by way of the Hoosac tunnel, that we might have a competing line with the Boston and Albany, to connect us with the New York lines; now that this enterprise is about completed, shall we at once avail ourselves of the opportunities offered and seek to harmonize our interests with the competitive lines we there meet, or shall we signalize our arrival on the Hudson by a declaration of war against the great lines from which we have expected so much, and enter upon a new enterprise outside of this State and beyond the control of our legislation, which will take a decade of years to accomplish, and which will put far off any benefits from the Hoosac tunnel line? The interest of the New York lines is to get all the business they can. It seems to me that it is our interest to avail ourselves of existing opportunities, and thus be ready for all new lines that may be hereafter constructed. In homely words, our duty is to "keep our platter right side up, that we may catch the rain that falls." And now, right here, let me say that any scheme which contemplates directly or indirectly an outlay from the State treasury to be spent outside the State should receive and will receive the public condemnation. The State has had one costly experience of this kind, and it is not likely to repeat the experiment. As we come from the West to this city we find competition all the way till we reach the Hudson River; then we find only one line to Boston. We find on that line higher rates per mile and less facilities for business. We find that the people in the western part of our own State can go to and from New York city and freight to and from that city a greater distance, cheaper than they can over the less distance to Boston. Our first need is a line to compete with this. Our first step should be to complete this competing line. Then as new lines are developed through New York our line will be ready for all necessary co-operation. The duty of the present legislature is [illegible] by [illegible] the way of building a road by the sideof the New York Central, capable of doing as much business? [Applause.] The Mohawk valley itself was wide enough not only for the Erie canal and the New York Central, but for from six to sixteen railroads, if they should be necessary. What the people of New York and Massachusetts alike needed was a line of railroad from the basin of Ontario and Niagara River to Boston, through the Hoosac tunnel, and he would say that while the distance from the State line to Niagara River was about 330 miles, there was already built and graded, upon the most direct and feasible line, something like 170 miles of the road. [Applause.] What was there in the way except lack of energy and effort and the necessary capital to have the line equal in every respect to the New York Central, within two years? They had but to will to do and put forth the necessary effort. All that was required was co-operation, concentration of effort and individual energy, instead of division, and the work was well-nigh accomplished, and they and the people of central New York would be freed from the grip of monopoly. [Tremendous applause.]

ANOTHER MEETING.

At the close of Mr. Post's remarks a gentleman rose upon the floor, and, amid great enthusiasm, moved that when the meeting adjourn it be to meet in the same place at half-past three.

Another gentleman quickly seconded the motion, saying that it was a war meeting. The people of Boston were at last awake to the great transportation question, and when they were once awakened there was nothing to be done but to build the line of railroad from Boston to Lake Ontario.

The motion was put and unanimously carried.

THE COMMITTEE.

Mr. O. R. Clark, after a few remarks, in which he spoke of the necessity of an immediate through line to the lakes, presented the names of the following gentlemen to act as the committee provided for in the resolutions.

The Hon. William Claflin, George C. Richardson, the Hon. E. R. Mudge, William B. Spooner, the Hon. Alfred Macy, the Hon. Rufus S. Frost, John P. Spaulding, the Hon. Robert C. Fuller, Charles M. Clapp, A. W. Beard, William A. Forbes, William Henry Lincoln, Edward T. Russell, jr., Thomas Dana, 2d, Daniel Webster King, John B. Bartlett, Olin R. Clark, Edward Kemble, Charles B. Crockett, Edward W. Kinsley, F. F. Emery, George F. Stone, Thomas E. Proctor, George E. Town, John G. Webster.

The chair announced that if the hall could be procured for the meeting today notice would be given in the morning papers, after which the meeting adjourned.

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Daily Evening Traveller.

WEDNESDAY, MARCH 3, 1875.

MISCHIEF IN THE TUNNEL BILL

We doubt whether it is generally understood by members of the legislature, or by the people of the State, whose fifteen millions of dollars has been and is to be expended for the Hoosac Tunnel, just what the bill reported by the committee is, or what is authorized by it to be done.

In the first place, the bill proposes to continue in existence the "corporation" created by chapter 403 of the Acts of 1874, the existence of which was limited to July 1st, 1875. This limitation, and also the limitation of the power of that corporation to "make contracts or running arrangements for the operation of the Troy & Greenfield Railroad," and all other provisions of that act and of all other acts inconsistent with this proposed act, it expressly repeals. It makes, in a blind and circuitous way, of the five corporators, who own nothing in the Troy & Greenfield Railroad, a complete railroad corporation, and, in some matters, subject to the Governor and Council, clothed with all the powers of such corporation under the general railroad laws. They are specially empowered by the bill to operate the Troy & Greenfield Railroad, or they may hold it open for use of all railroads which may apply therefor, whether connecting or not, or whether in or out of the State; or they may consolidate the State's tunnel and railroad with the properties and franchises of any railroads forming part of a through line between the eastern part of Massachusetts and the eastern part of New York; or they may hire any such railroads outside of this State. Besides these specifically-granted powers, they are clothed with the powers described in section 170, chapter 372, of the acts of 1874. Under these provisions of the general law they may contract in perpetuity with any connecting railroad company, by which said company may "perform all the transportation" upon the Troy & Greenfield Railroad and Hoosac Tunnel; or they may make perpetual contracts binding the Boston, Hoosac Tunnel & Western Railroad Company "to perform all the transportation upon and over" all the railroads that may connect with the Troy & Greenfield Railroad. They may also, under the provisions of the same section of the general laws, lease in perpetuity the Hoosac Tunnel and Troy & Greenfield Railroad to any connecting railroad company, or may take perpetual leases of all connecting railroads. These they may equip and operate, and to provide the means therefor they may, pursuant to the provisions of sections 49 and 52 of said chapter of general laws, issue bonds and notes of their corporation, which equitably and practically the Commonwealth would be liable to pay, as it would also be so liable to pay the rent of the leased railroads.

Thus the stockholders of the leased railroads would be pensioned off, taking their dividends without participating in the risks of the business or the responsibility of management. All of these would practically be borne by the State, and we should have State railroading, with all the iniquity and corruption of numerous and immense jobs and contracts, under an exclusively political management of five men politically appointed.

If, instead of themselves operating the State's railroad and tunnel, and leasing or making exclusive transportation contracts with connecting railroads, they should choose to divide the responsibility and proceed by consolidation as provided in the bill, they would merge the property of the State in the railroad and tunnel with some other corporation now existing or a new corporation created for the purpose, expressly to order. The Tunnel and Troy & Greenfield Railroad would then become the absolute property of the consolidated corporation. There would then be ten men, five of whom would be selected by the private stockholders. It would be a wonderful development of wisdom and incorruptibility if the five men, stimulated by the ever-active influence of the self-interest of the stockholders should not find at least one of the political appointees who would join them in controlling the management in the interest of the private capital, especially as the Governor, in making the appointments, would be expected to have all interests represented. The consolidated corporation, thus put practically under the control of the private stockholders, could proceed to make the leases or contracts before referred to. Having the Tunnel and Troy & Greenfield Railroad as part of its property, it could issue its bonds and obligations and create a lien upon all its property, including the tunnel, for security for their payment, and the State might some day find its railroad and tunnel sold out to satisfy the creditors of the consolidated corporation.

Any or all of these things may be done. They are certainly authorized by the proposed bill, and being thus authorized by the bill, if it should become a law, it could properly be claimed by the five directors that they were deliberately intended by the framers of the bill and by the legislature which enacted it, to be carried into effect. The bill provides for the political appointment of five men, and clothes them with all the powers we have described. It then loads their pack with the property of the Commonwealth in the Hoosac Tunnel and Troy & Greenfield Railroad, and sends them forth on a mission with multifarious powers, to truck and dicker and alienate forever from the ownership and control of the State the entire results of the expenditure of fifteen millions of the people's money, and it may be that their contracts, made strictly according to law, will lay the State under obligations to pay untold millions more, and entail the obligation to continue annual payments for an indefinite period. A bill which should in plain and direct language authorize what under the provisions of this bill may be done would be denounced by every citizen of the State. There is not a single member of the General Court whose constituents would have allowed him to enter the doors of the State House endorsed by their votes if they had understood that he would favor such a disposition of the tunnel question as this bill proposes to authorize. There is no safety for the interests of the people in the tunnel but by keeping it in the possession and undivided control of the State.

Daily Evening Traveller.

TUESDAY, MARCH 2, 1875

THE COMMITTEE'S TUNNEL BILL.

The bill reported by the Joint Special Committee of the legislature and assigned for consideration in the House of Representatives for to-day, has been regarded principally as a bill for consolidation, which it is. To secure the unanimous consent to its being reported by a committee, of which a majority were in favor of a toll-gate system of utilizing the tunnel, a sort of very feeble toll-gate attachment was incorporated into it. This consists solely of the words, "with its own motive power," in the third section, in a proviso which repeats a provision of the general law applicable to this as to all railroads in Massachusetts. The use of its own motive power by a railroad company to run over the railroad of another company with which it connects under circumstances such as this case presents, is but an inconsequential matter. The times, terms, conditions and compensation are all left unsettled, and to be determined precisely as such matters are determined for all connecting railroads, by agreement, or litigation, subject to be renewed every year. Of course, under such provisions, there can be no equality in the use of the tunnel and Troy & Greenfield Railroad between a connecting railroad and the consolidated line, of which the tunnel is a component part. We have had more that a quarter of a century's experience of the troublesome and unsatisfactory nature of such connecting traffic *wherever the two connecting railroads do a competing business.* In all such cases the trunk line has the advantage, and will crowd the other to the wall. The bill does not even contain a word which pretends to make the connecting line equal to the consolidated line, nor does it, as the Learned bill did, guarantee that the several connecting lines shall be placed upon equal footing with each other in the use of the tunnel.

This wonderful invention of amending the general laws relating to connecting railroads for this particular case, is variously explained by different advocates of the bill. Some of them in the innocence of their hearts say that it secures perfect equality to all parties and makes of the tunnel a toll-gate. Others equally earnest in advocating the bill say that the words "with its own motive power" are of no practical consequence; that they are intended as a sop for the people, who are in favor of equal rights in the use of the tunnel; that the provision is a humbug to divert the people's attention and thus ease the passage of the bill.

This "motive power" provision relates alone to the Troy & Greenfield Railroad. In the fifth section there is another and distinct amendment of the general laws made specially applicable to this case. The general laws provide that all railroad corporations shall haul over their railroads the cars, freight and passengers brought to them by connecting railroads, the terms and compensation to be determined by litigation, if the parties fail to agree. The change in this general law which this bill proposes to apply to railroads connecting with the consoli-

ed tunnel line, consists in attempting to make a rule for determining the terms for transporting the traffic of connecting railroads. This is defined in the following words: "On terms as favorable as those for which the corporation operating said line carries its own passengers and freight of similar description." This must be wonderfully luminous to the minds of experienced, practical railroad men. It is an attempt to make a standard for determining a controversy between parties out of the unknown and the unknowable.

Both of these provisions—the first relating exclusively to connections with the Troy & Greenfield Railroad, and the other to connections with any part of the consolidated line into which the bill proposes to merge the railroad and property of the State—are, whether so intended or not, deceptive and unreliable. They will not and cannot secure equality to connecting railroads. They do not retain in any sense to the State a particle of control over the use and management of the railroad and tunnel paid for by the money of the whole people, other than it has over all the railroad property in the State which belongs to private stockholders. The existing provisions of law relating to connecting railroads are bad enough in all cases, and where there is competition between the two lines for the same business, the results are extremely vexatious and sometimes ruinous. But these changes put in the bill, as some of its advocates say, as "a sop for the people"—as "a tub to the whale," are new and untried elements which will draw the litigation for determining the controversies outside of the line of precedents. They will hang over both interests—the interests which propose a consolidated line, and those which propose to make arrangements for a through business without consolidation—clouds of uncertainty which will be fatal to all efforts to provide efficient lines of transportion.

The business interests of Boston require the immediate organization of efficient lines of transportation through the tunnel to connect with the four or five great through lines which are now running West from the Hudson river. No such organization can be made without the energies of able men and sufficient supplies of money. These can be secured only by the pursuance of some certain and reliable policy on the part of the State. The committee's bill proposes no such policy. It is a mixture of incongruities; neither an effective consolidation nor a practicable toll-gate; but a hybrid bill, which, like such creations of nature, must be impotent.

Daily Evening Traveller.

WEDNESDAY, FEBRUARY 21, 1877.

Single Copies.....3 Cents.

The Present Hoosac Tunnel Line.

To the Editor of the Traveller,—The formation of what is very properly called the "Hoosac Tunnel Line" has already been mentioned, and some few general particulars concerning the organization published. Still, we apprehend the public information on the subject at this time is very limited—confined mainly to the fact that there is such a line in operation. Its character, extent, connections, management and arrangements for the despatch of business, we presume, are known to but very few persons even among those who have occasion to use the facilities offered. The great desideratum in the construction of the tunnel and its use was the attainment of a connected and efficient through line, generally expressed by the term consolidated line, without defining precisely what such a line is or how it may be composed.

Of course everybody who knows anything about railroads or transportation, knows that the trade between an Atlantic city and the fertile regions of the West, cannot be carried on successfully or profitably by a series of disconnected corporations, or without a competent management and adequate means. There must be, in any event, a through line with a combined unity of management,—just as all the Massachusetts railroads in themselves are through lines, and under one controlling management in their business. This is to be obtained in various ways, any one of which may accomplish the object, while at the same time, some of them may have serious objections, especially where the line passes over the territory of different States, a feature which generally characterises what is called a consolidated line; and a feature which, as well as others, is avoided by an associated line, under a combined and uniform management. The supposed advantages of consolidation, where that is practicable, is simply *one controlling management;* and this is practically obtained, and in some respects better obtained, by an associated management, which is equally absolute in every contract and transaction on the line.

In consolidation (not merged into one corporation), the parties agree upon terms and times, and these control the entire management. This is precisely the case with an associated line; is precisely the case with the Hoosac Tunnel line to-day. All the advantages which flow from consolidation are secured in the same manner by association. All parties have an interest, fixed, agreed upon and published, and the united interest is one, exactly as if one corporation owned or managed and controlled the whole line; and this form is not liable to freaks or changes brought about by personal interests or local influences, as possibly a consolidated line may be.

This being so, and is so on some of the longest and most important lines in this country and in Europe, all the advantages of any other form of consolidation—one management, speed of trains, certainty of connections, lowest rates of transportation (which are absolutely controlled by existing competitions), rates of fare, cost of handling merchandise, charges for the use of cars, and whatever else—are fully secured to the public, and there are no more drawbacks or unnecessary expenses in one case than in the other.

Now, what is the Hoosac Tunnel Line?

Without going into unnecessary particulars we may answer: It is an association of railroad corporations having a combined control of the main line for all its business and working relations with all its connections in Boston, Albany, Troy, Buffalo, Rochester, Chicago, Burlington, St. Louis, Omaha, and the farthest West. Of course it is not specially the interest of one party to manage this line (which might possibly have adverse interests), but of *all the parties*, so that no one of them can pursue its own interest as against all the others. It cannot therefore be controlled by any local interest anywhere, should such a thing be desirable or be attempted; it is more secure in this respect than any single corporation can possibly be. Its welfare, prosperity, its earnings, its capital, everything it has in common with the line depends, as against all competing lines, upon the promptitude, efficiency, and fidelity of its management. There are the common objects and the common property of all the parties in the combination, as if there being twenty corporations united, there would be nineteen interested to see that the other one did its duty, and rendered its service for the benefit of all. Can any form of a *through line* be more complete, more efficient, more reliable, or more safe for the public, than such an organization, or under more binding and stimulating influences?

If this be so under the form of association with a common interest, what more can consolidation do? What more than this can the expenditure of more millions do, excepting to reduce the value of the millions already invested? What more can any organization, seeking control of such a line and its own profit, accomplish? What need of trustees to take upon themselves the management of a line of the best managed railroads in the country, with any one of which it would be suicidal to neglect the performance of its service, and the increase of its own business? So far as the city of Boston is concerned, and its prosperity to be promoted, the Mayor and the Board of Trade together could not be placed under stronger obligations to exert all their strength for this object than are these railroads. The welfare and prosperity of Boston is the life and inspiration of the line, meeting the competitions which are not to be avoided, and cannot, for an instant, be overlooked or neglected. If it cannot advance the interests and prosperity of Boston—its trade and its commerce—as effectually as any consolidation or scheme of trusteeships can do it, it cannot advance its own. Its capital is pledged to this object, and the security of this demands the prompt and efficient performance of its duties by every corporation in the line. We do not perceive what further can be done for Boston or how her interests can be intrusted in safer hands than in those whose interests are identical with her own. Under these circumstances the line is complete, furnished with all the facilities the business requires, and with abundant means to supply all future demands. In these respects there is no more complete or independent line in the country.

One word should be added in regard to the toll-gate system, which seems to be a mystery with some persons. It has no special reference to the tunnel, as such, and is simply the proportion (and should be pro rata) paid to the Commonwealth as the owner of one section of the line.

In these remarks we speak of the line just as it exists to-day, forming by means of association the shortest line to Chicago, St. Louis and the West; the line of the lowest grades, and the line which can be operated as cheaply as any other in the country. For doing the business now to be done,—for the full development of the capacities of the line, and for the expansion of the commerce of Boston, and reaching a solid basis for the future prosperity of the Commonwealth, it appears to us that it solves for the present the problem of the tunnel, so far as the Commonwealth is concerned. W. W. W.

FEBRUARY 4 1881

THE HOOSAC TUNNEL.

CLAIM OF THE TROY AND GREENFIELD RAILROAD.

Its Petition for Legislation to Bring its Case Before the Supreme Court—Hearing at the State House Yesterday—Arguments for the Road by the Hon. D. W. Gooch and Others—Attorney-General Marston for the State.

The hearing on the petition of the Troy and Greenfield Railroad Company, asking that authority may be conferred upon the supreme court to hear and determine its right of redemption of the road and the Hoosac tunnel, was given yesterday by the committee on the judiciary at the state house. Two sessions were held, forenoon and evening. At the forenoon session the Hon. D. W. Gooch of this city made an elaborate argument in support of the petition and the claim of the road, and Attorney-General Marston replied on behalf of the State; and in the evening the Hon. Joseph H. Choate of New York and the Hon. John C. Bullitt of Philadelphia were heard for the road, the attorney-general replying briefly to the former. Below are abstracts of the several arguments.

ARGUMENT OF THE HON. D. W. GOOCH.

Mr. Gooch, after reading the petition under which the hearing was held, sketched rapidly the history of the company. It was incorporated May 10, 1848; an act authorizing a loan of the State credit to the amount of $2,000,000 to be secured by a mortgage on all the property of the company to enable it to construct the Hoosac Tunnel was passed April 5, 1854, and the mortgage was duly executed and delivered April 28, 1855. In 1860 the legislature came to the conclusion that the loan acts were imperfect because the expenditure of the $2,000,000 was limited to the Hoosac Tunnel, and for many other reasons, and passed an act defining more clearly the road and tunnel to be built and the terms and conditions on which the advances of scrip were to be made by the Commonwealth to the company, and also providing for the appointment of a State engineer who should, among other duties, fix and determine the data for the delivery of the scrip. The act also required that the company should purchase the Southern Vermont Railroad, for which purpose a farther loan of $200,000 was to be made to the company, and that this road should be mortgaged to the Commonwealth as additional security. This act was duly accepted by the company and constituted a new or additional contract between the Commonwealth and the company. Colonel Ezra Lincoln was appointed state engineer, entered immediately on his duties and fixed the data required by the act above referred to for the prosecution of the work, on which contracts for the same were based by the company. In the fall of the year he resigned, in consequence of illness, and under C. S. Stevenson the work was advanced rapidly till the summer of 1861, just prior to which time Mr. Stevenson had been removed by the governor, and Mr. William S. Whitwell appointed in his place. Mr. Whitwell immediately changed the data fixed by Colonel Lincoln, approved by Mr. Stevenson, under which all contracts had been made, and the work prosecuted since 1860, and the governor refused to issue the scrip (about $100,000) to which the contractors were entitled for work already done and materials furnished under data fixed as aforesaid. These acts of the state engineer and the governor compelled a suspension of the work by the contractors. The company made an appeal to the governor and council, remonstrating against this action of the state engineer and the witholding of the scrip to which it was entitled. Its memorial was referred to a committee of three members of the council, who reported that the difference between the estimate for the work done in the months of May and June, on the basis and prices established by Colonel Lincoln, and the amount awarded by Mr. Whitwell, viz, $97,000, was justly due the company from the Commonwealth, and fully exonerated the company and its contractors, and placed the whole blame and responsibility for the suspension of the work on the officers of the State. Subsequently, under date of December 26, 1861, after a hearing before the executive council, the council presented a protest to the governor's indorsement of the official action of State Engineer Whitwell. It was signed by Hugh W. Green, E. C. Sherman, Joel Hayden, John I. Baker, James Ritchie, James M. Shute and Oakes Ames, and in it they say:—

> It is our opinion that the good faith of the State was lawfully pledged by the first engineer appointed under the act of 1860 to the estimates agreed to by him, which became the basis for the sub-contracts for the building of the road, and that no succeeding engineer could rightfully "impose new requirements" or change the basis in reference to work done and materials furnished previous to his appointment, nor afterwards until authorized so to do by the governor and council, who alone are empowered by law "to correct abuses, remedy defects, and enforce requirements, by withholding scrip or imposing new requirements as the interests of the Commonwealth shall in their opinion require."

The matter was referred to a committee of the legislature of 1862 and fully investigated. From the report of this committee Mr. Gooch read copious extracts, fully sustaining the conclusion of the council that the good faith of the State was lawfully pledged by the first engineer appointed under the act of 1860 to the estimates agreed to by him, etc., and that the cause of the suspension of the work was the misapprehension on the part of State Engineer Whitwell of the duties incumbent upon him under that act. Special attention was called to that portion of the committee's report in which they say:—

> In their opinion, the true construction of the act of 1860 required the state engineer who should be first appointed under it to decide upon the quality of the road to be constructed, and determine its peculiar characteristics, and that this decision was properly subject to no change except at the instigation of the governor and council, under the general supervision, power to correct abuses and remedy defects, given them by the act. It seems to them that any other construction must lead to inevitable confusion, and forever prevent the successful accomplishment of the work, inasmuch as every change of state engineers might result in an entire change of the character of the work to be performed and of the arrangements previously made.

And also to this sentence in the report:—

> The committee see no necessity of the prosecution of the work save through the usual and regular channels, and without such necessity they can not recommend that the State should assume the place and duties of the corporation.

The committee recommended the passage of a bill in accordance with its report. The action of the executive council and of the committee, said Mr. Gooch, seem to establish beyond all honest question or controversy that the Troy and Greenfield Railroad Company and its contractors had performed their part of the contract and was not responsible for the suspension of the work; that the Commonwealth was in default and that $97,000 due from the State should have been paid. But the governor refused to recede from his position. It was understood that the committe's bill would meet his veto, and it was found that the enterprise of tunneling the mountain must be abandoned or the property and rights of the Troy and Greenfield Railroad Company must be surrendered to the Commonwealth, as mortgagee, to enable it to take the prosecution of the work into its own hands. There was no breach of contract—no default—on the part of the company. The breach of contract—the default—was on the part of the Commonwealth; its officers had refused to do what the Commonwealth had contracted to do.

THE RIGHT AND THE TERMS OF REDEMPTION.

This being the position of the parties, another and further contract was proposed on the part of the Commonwealth, in which, by its very terms, the acknowledgment is made that the Commonwealth is in default. I refer to the act of April 28, 1862, entitled "An act for the more speedy completion of the Troy and Greenfield Railroad and the Hoosac tunnel." When this new contract was proposed, providing for the surrender of its property into the hands of the Commonwealth for completion, the company foresaw that the Commonwealth might desire and claim to hold it beyond the time fixed by law. To meet this objection the second section of this act, which also recognizes the fact that the Commonwealth has no right to claim the surrender, provides as follows: "The Troy and Greenfield Railroad Company is hereby authorized to surrender to the State the property now mortgaged; but the right of redemption shall not be barred until ten years shall have elapsed after said road and tunnel are completed and the same open for use."

The company also foresaw that the Commonwealth might expend a sum of money far greater than the company would expend in the completion of the road and tunnel which it was building, and, while by the established rules of law and equity, it could not claim an amount greater than that specified in the mortgage, and absolutely necessary for the completion of the exact and well-defined and limited road and tunnel which the company was constructing, it feared then, it knows now, that there would be men who would claim, on behalf of the Commonwealth, what honorable men would blush to claim for themselves, namely, that any amount of money which the Commonwealth might expend should be repaid by the company as a condition of redemption. The Commonwealth disclaimed any such intent, purpose or wish, and to satisfy the company, inserted in the contract itself the provision that it would claim only the $2,000,000, as specified in the mortgage. The language is as follows:—

> *Provided*, That all expenditures and advances made under and by virtue of this act, shall be on account and form part of the $2,000,000 authorized to be loaned in state scrip to the Troy and Greenfield Railroad Company, by chapter 226 of the acts of 1854; and said expenditures and advances, together with all sums hitherto advanced to said company, excepting the sums advanced on account of the "Southern Vermont Railroad," shall not exceed in amount the said $2,000,000.

While this proviso protects the company and limits the expenditures which can be made and charged to it, it places no limitation or restriction on the amount the Commonwealth may expend for the construction of the work. Mr. Gooch argued that it was well known and understood that much more than $1,274,600, which was the balance of the $2,000,000 originally authorized, would be required to complete the work in the hands of the Commonwealth, and that the Commonwealth knew then, as every individual knows now, that this railroad and tunnel, when completed and opened for use, would not be worth more to the company than the million of dollars which the company had invested of its own funds and the $2,000,000 to be furnished by the Commonwealth, with such interest as should accrue thereon. Consequently they were willing to stipulate that the company should have the right to redeem on the payment called for by the terms of the mortgage; and that it would be only just and right that any excess of expenditure, no matter how great, should be borne by the Commonwealth; the great benefit resulting to the Commonwealth, as a whole, from the opening of another communication with the great West, believed then, and known now, to be absolutely necessary for the maintenance and development of the interests of Massachusetts, to be compensation for such excess. The Commonwealth also recognized the fact that, by the rules of law and equity, any change, unauthorized by the company, from the plan of the road and tunnel which the company was building, might defeat the mortgage, and it was accordingly provided that "such change may be made in the location and grades of the road as may be necessary to improve the same." With this right conceded by the company the Commonwealth assumed that it could build as it might choose, the essential condition being that the road and tunnel must be of such a character that the company could not object, as a condition for redemption, to the payment of the sum specified in the mortgage, that either the road or tunnel was inferior to the road and tunnel provided for by the act of 1860. Mr. Gooch, in answer to the claim that the company should have made a protest against this great expenditure of money, said that such a protest was made by the company at the time the act of 1862 was prepared, that it considered its rights secured under that act, and that any further protest from the company would have been an act of impudence. There is no doubt that Massachusetts has promised that this railroad company shall have the right to redeem on the payment of the amount called for by the terms of its mortgage. If she has promised to her loss will she, for that reason, refuse to perform? If this question shall be answered in the affirmative a grave responsibility will rest upon the men, no matter what their official position may be, who shall make for her that answer; and any attempt at evasion, such as the offer of a remedy for redemption, coupled with provisions and conditions which change the rights of the parties under existing contracts, will be a deeper stain on her honor than a direct refusal to do what she has agreed to do.

THE LEGAL STATUS OF THE COMPANY AFFIRMED.

In 1863, after the company had surrendered its property to the Commonwealth, reserving the right of redemption, and when only part of the $2,000,000 had been advanced, a question arose as to the effect of a mortgage, known as the Smith mortgage, made to secure its bonds to the amount of $900,000, which was made in terms subject to the prior mortgage to the Commonwealth. This question was submitted to Hons. Dwight Foster, Emory Washburn and Isaac F. Redfield. Each of these distinguished lawyers, in his opinion, fully recognized both the right and power of the company to redeem its property, and the opinion of each of them is based on that recognition. They all agree that the Commonwealth had the right to expend the $2,000 000 as provided in the mortgage, and that it could hold the property as security for the same; and the Commonwealth was then expressly told that there was a limit to the amount which it could expend and hold the company responsible for the payment of the same, as condition of redemption. Mr. Washburn in his opinion says:—

> "As against the Troy and Greenfield Railroad Company, the Commonwealth, as mortgagees, may clearly hold the road, its franchise and other property to this extent ($2,000,000). The Commonwealth may hold the property and complete the road, and receive its income and earnings during the ten years mentioned in the act, unless sooner redeemed, and their mortgages, for all advances on account of this, would be good *as against* the Troy and Greenfield Railroad Company. But the terms of the act of 1862, chapter 156, section 7, under which this is to be done, limits the amount to which this expenditure may be made by the Commonwealth to $2,000,000....It is difficult to say that this power to advance money and hold a lien for the same is unlimited, or if limited at all, to know where to fix any limit other than the original $2,000,000." In accordance with the suggestion of the eminent counsel above referred to, a case was made up in the form of a bill in equity by the Commonwealth against the trustees of the Smith mortgage, to test the rights of the parties under their respective mortgages. In this case, 10 Allen, 448, the Commonwealth, in its agreed statement of facts, says that the company surrendered its property subject to redemption under statute 1862, chapter 156. The whole of the Commonwealth's right to be heard by the court in that case, is based on the fact that the company had a right to redeem its property by process of law, which it denied when in court in 1878 as defendant. Is it true that Massachusetts, when in court for one purpose, will assert as true that which she will deny when in court for another and different purpose, and take advantage of both positions?

MEASURES TAKEN TO RECOVER THE PROPERTY.

In 1876, when the work for which the surrender was made was nearly completed, the company, hoping to secure a speedy adjustment of all questions which might arise between itself and the Commonwealth in relation to this property, without resort to the court, presented a memorial to the legislature asking that impartial referees might be selected to determine what amount should be paid by the company for the redemption of its property, and the terms and conditions of such payments. When the hearing was had on this memorial the Hon. Charles R. Train, then attorney-general, appeared for the Commonwealth, and stated that no action was called for on its part, for the reason that the company had a full and adequate remedy for the redemption of its property under the provisions of chapter 140 of the General Statutes, and no action was taken by the legislature. In 1877 the joint special committee of the legislature said in its report, made after an exhaustive examination, "There is no question but what the Troy and Greenfield Railroad Company have, within ten years from July 1st, 1876, the right to redeem the tunnel property, and the only question that arises is as to how much they shall pay in order to so redeem." The committee of 1878 reported, that the title of the Commonwealth was simply that of a mortgagee in possession for the purpose of foreclosure, and that the right of the company to redeem would not expire till July 1st, 1886.

In 1878 the company applied to the treasurer of the Commonwealth for an account of indebtedness due the Commonwealth under its mortgages. The treasurer declined to affix the amount to be paid in redemption, and thereupon the company filed its bill in equity in the supreme judicial court for the county of Suffolk, praying for an account, and tendering payment of the amount that should be found due. The attorney-general appeared in behalf of the Commonwealth, and pleaded *in bar* to the bill of the company that the Commonwealth, one of the parties to the contract, was a sovereign, and therefore could not be held to answer in its own court. The court sustained the plea and dismissed the bill. We have already seen that in 1865, in the Smith case, the Commonwealth appeared before the supreme judicial court and put on record, as part of its agreed statement of fact, that it was in possession of this property as mortgagee, and that the Troy and Greenfield Railroad Company had the right of redemption for the term of ten years from the time when the road and tunnel should be completed and opened for use. When the court decided that it had not jurisdiction to hear and determine the case, the company supposed that there could be no doubt that the legislature, when requested to do so, would hasten to confer that jurisdiction, and thus save the Commonwealth from a stain on its honor which must otherwise become indelible. In January, 1881, a petition was presented to the legislature, praying "that jurisdiction might be conferred by law upon the supreme judicial court, under proper proceedings in equity, to hear and determine its right to make the redemption reserved in its mortgage and by the act of 1862." The petition was referred to the judiciary committee of the senate. The company asked that such power, and only such power, to hear and determine the case should

e given to the court as would place both parties precisely the same position they would have been in if the court had the jurisdiction which the commonwealth, all its law officers and even the court itself supposed it had, up to the time when the bill for redemption was filed and the question of jurisdiction specially raised by the plea of the attorney-general. It simply said, Give us just what we are entitled to by right, that which you cannot, without a breach of faith, withhold. We ask for no new or additional rights, only for a remedy which shall make good to us the rights we already have. The committee, on consideration, admitted that the company had the right of redemption, and was entitled to a remedy to enable it to enforce that right. When the committee had reached that point, it hardly seemed possible that there could be any further question between the company and the committee. If the company had a right to redeem, it must result from something already in existence, and not be dependant upon something which is to be created or brought into existence as a part of, or in connection with, the act which furnishes the remedy for the enforcement of the existing right. But the bill which the committee reported, while recognizing the right of the Troy and Greenfield Railroad Company to redeem its property, and purporting to give the supreme judicial court in the county of Suffolk jurisdiction to hear and determine, in the usual manner of proceedings in equity, the sum which the company shall pay for such redemption, compels the court to entirely disregard the terms of the mortgage, and the other contracts between the parties, on which the right of redemption rests, and obliges the court to ascertain the amount which the company shall pay, by a rule which the Commonwealth, in the exercise of its sovereign power, now dictates to the court, having no regard to the rights of the company, or the agreements, promises or obligation on the part of the Commonwealth heretofore made. That bill has been referred to the present legislature.

The question between the parties is not how much money has the Commonwealth spent judiciously, economically, and in good faith in completing the Troy and Greenfield Railroad and Hoosac Tunnel. The question which the court must be authorized to decide, if Massachusetts maintains good faith with the company, is, how much money has the Commonwealth spent in the completion of this road and tunnel, which it has the right, by the terms of its contract, to claim from the company as a condition for the redemption of its property. The legislature is again asked to give the court this jurisdiction. If it refuses, the company will lose its property. What the Commonwealth will lose is a question which you will undoubtedly fully consider before final action.

THE ATTORNEY-GENERAL'S REPLY.

Attorney-General Marston replied for the State. He claimed that the petition of the Troy and Greenfield company, that the supreme court may have jurisdiction as a court of equity in the matter, is based upon the loan act of 1862. But the fact is that the relation of the company to the State is not to be found in that act, except as that furnishes the power for the Troy and Greenfield Railroad Company to do what it did do, and provides for agencies of the State to do what has been done by it. Resort must be had to the several mortgages which have been made for the purpose of inquiring what the attitude of one party is to the other in respect to its property, which is now called the Troy and Greenfield Railroad and Hoosac Tunnel's. March 25, 1862, the third mortgage was made contemporaneous in execution with the act of that year, and was passing through its various stages. This mortgage provides that the railroad company shall faithfully perform everything that it agreed to do in the whole series of mortgages. Before the company can have the right to redeem under any mortgage, it must show that it has performed all things, as it was requisite they should be done. Until it is shown that they were done when they ought to have been done, then the Troy and Greenfield have no right to redeem anything upon any terms. The mortgage states that the company mortgages to the State all the franchises and property it had, and that is what it has the right to redeem. The great error of the company is that it asks not only to redeem the property it mortgaged to the State, but also the completed tunnel and a large amount of property which it never mortgaged. Certain small things which have become great, and certain useless things which have become valuable, it now asks to redeem for two millions. If the things mortgaged could be distinguished, then there would be a right to redeem them. But those things cannot be distinguished, and the company has no right to take many other things in redemption, and has rights of compensation of a very different character A common mortgage is very different from the present relation between the State and the road. Mr. Marston referred to the effort of the company in 1876, to see what could be done in equity on its behalf, as a very reasonable thing compared with what is now asked for. Mr. Marston pictured an illustration of an outlawed debt, to show that while the State may decline to permit itself to be sued, it can do so with honor, because it expects to do what is right to the Troy and Greenfield road, even if it does not choose to agree to what is asked by that road. The State can take that course with honor, notwithstanding the western State may be placarded with statements that Massachusetts has repudiated. The tunnel is crying now to be double-tracked, and the road wants to step in and take it. The tunnel has cost $20,000,000, and they want to get it on investment of $2,000,000. The position of the State is that it will do justice to the Troy and Greenfield road, but it proposes to do it in a very different way from that asked for by the road. The tunnel has but just begun to show its coming power. The Fitchburg road has had only since September in which to put on its equipment. The road will not show its power till it is doubletracked. The petitioners say that the road will earn interest on only $2,000,000, and that therefore they shall have it, while the other $18,000,000 would be paid by the people as a dead loss. If the bill should be reported it should be substantially like that of last year, which gives the Troy and Greenfield road all it ought to have, and protect the interests of the State from the great injustice which is proposed. Mr. Marston read to the committee the opinion of Attorney-General Train, that the Troy and Greenfield road has the right to redeem only upon the payment of the money which is equitably due to the State. The State should defend itself in this case, just as one man of business would defend himself from another. It should offer to do justice, and it should not take the exact course desired by the opposing party and permit itself to be sued in the courts. Right and justice demand only this: that the Troy and Greenfield Company may redeem the property by paying what it cost, less what was unnecessarily spent by the ignorance or carelessness of the State's agents. The interests of the people demand this, and it is just to the Troy and Greenfield Company. Such a course will not be "repudiation" by the State, as the counsel for the company claims. But, when the company asks "justice," it must allow the State to have a voice in saying what justice is.

THE EVENING SESSION.

Mr. Joseph H. Choate began the reply to the argument of Attorney-General Marston in the green room last evening. That the Troy and Greenfield road has rights, he said, is admitted, but it is helpless in itself. It has the right to assert its rights. The law which was passed at the time the mortgage was given promised a remedy to the road for giving up its property. The law promised a remedy, but failed to provide it. But it is a principle of law that a right and the remedy to recover it, if it is taken away, coexist. Several courses are open to the legislature. It may let the whole matter alone; it may submit it to the supreme court; it may deny the petitioners their appeal; it may refer the matter for settlement in such a way that the road will be barred from its rights. If the road has a contract right, can the legislature pass an act to violate it? The road gave up to the State its two franchises and two millions of property, and the act of 1862 must be the final criterion of what is meant. No matter how much may have been spent on the tunnel, the two millions must be sufficient to redeem. If the attorney-general has the case he thinks he has, the supreme court will dismiss the road from the court. The legislature is not the proper tribunal before which to try the case, but the supreme court is. Mr. Choate took up the argument of the attorney-general, that there is much more property now in the tunnel than was mortgaged, and said that the case was like that of a man who had the cellar of his house made, and then mortgaged the lot for the building of the house. No matter how much property has been added since the mortgage was given, the company has to pay only the two millions. It was assumed when the State took the mortgage that the whole tunnel was there. As to the point of Mr. Marston that little things have grown to great things, Mr. Choate said that the idea was substantially the same and did not affect the rights of the company to redeem. Whose fault is it that the provision for a double track was made? Whose fault is it that so much more money was spent than was expected by the company? That cannot effect the right of the company to redeem. As to the supposition that there are so many millions of property in the tunnel, Mr. Choate said that one might as well say the sun does not shine as to say that there are eighteen millions of property in the tunnel. It was worth a great deal more than that to the State of Massachusetts in its struggle to keep its place with its commercial rivals, but it is not worth that for railroad uses. If an award of three or five millions should be made, everybody would say it was lawful and right. If the legislature refuses to allow the case to go to the supreme court, it would show that the members do not have confidence in the justice of their cause. Mr. Choate pictured the State backing out of its contract because it was suffering from a bad bargain, and placed the State, if it should do so, upon a level with the States which repudiated their debts, or saying that they will pay them, yet assert their right to readjust them before making payment. Referring to the bill which was before the legislature of last year, but which failed to pass, he said he hoped the legislature would not pass that atrocious bill. In reply to a question of Mr. Muzzey of Cambridge, Mr. Choate said that the object of the petitioners was to put the State in the position of a private citizen against whom suit can be brought.

Attorney-General Marston replied to Mr. Choate, saying that the bill of last year was rejected by the senate because it was too liberal to the Troy and Greenfield. The governor favors some similar measure. Mr. Marston reviewed the early history of the road from 1848 down to 1862, showing how frequently it came to the legislature for money, how the management was so bad that the State finally stepped in to protect the property it had invested, and said the thing must stop. In the act of 1862 the State did not give the right to redeem; it merely recognized the right to redeem which was already existing. So the question came back to the mortgages, where he placed it in his forenoon argument. The State never said it would spend fifty millions if necessary, and let the road redeem it for two millions. It merely said that it judged the expense would be two millions and fixed the line there, as it must be fixed somewhere. The course asked by the petitioners is an imputation upon the sovereignty and integrity of the State. It implies that the State is unjust. Massachusetts is not to be dragged into a court of justice until it appears that she has refused to do justice with her own hand.

Mr. John C. Bullitt of Philadelphia followed Mr. Marston. He said that since 1804 the State has recognized the right that it should be brought into court as a defendant. He emphasized the financial honor of Massachusetts and of Boston as reason why the persons who have become involved in this enterprise, trusting to the honor of the State, may not be disappointed. Mr. Bullitt closed with an appeal that the case be referred to the supreme court.

HOOSAC TUNNEL—NO. 4.

Operations Subsequent to 1860—Cause of Suspension in 1861.

This chapter in the history of the tunnel enterprise, would most gladly be omitted, were it not so interwoven with the equities of the case now under consideration by the public, that without it no correct opinion could be formed. We have no wish to write a syllable in disparagement of that great and good man, whom Providence removed at the zenith of his fame, the War Governor of Massachusetts. Energetic, patriotic, talented, and inflexibly honest, his great fault was, that confiding in friends whose judgment he respected, and sensitive and suspicious in regard to every thing upon which the slightest cloud could rest, he had become so thoroughly impressed with a conviction that the interests of the State were not safe in the hands of the tunnel contractors, that all the influence of his Council could not induce him to change this opinion, and he insisted with that inflexible tenacity of purpose for which he was distinguished, that the work must be carried on, if at all, through the agency of officers appointed by the Commonwealth.

Although the results were unfortunate the intention must be respected, the error arose from an honest desire to secure to the State a full equivalent for its expenditures, and it is gratifying to know, and we are assured it can be confirmed by living witnesses, that Governor Andrew before his death admitted that he had been in error, and had done General Haupt great injustice. Hon. F. W. Bird also, with that regard for truth and right which characterizes him, made similar acknowledgments openly on the floor of the House in 1867. Public opinion at last seems disposed to extend to the tunnel contractors that justice which through persistent and interested misrepresentations has been so long delayed.

The record will be given as it exists, with no desire to censure any one, but simply to communicate necessary and important facts.

The act of 1860 so greatly strengthened the hands of the contractors that for a time their enemies abandoned the field, and allowed them to remain unmolested, but the respite was not of long duration. A new executive was called to fill the chair, who believed that the interests of the State were not fully protected, and that a change of management was required.

The Council, who knew the contractors, had entire confidence in them; the Governor, who did not know them, had none. He removed the State engineer, appointed a successor, who changed the plans and imposed new requirements and conditions, to which it was impossible for the contractors to conform, and withheld $100,000 from their estimates for work done under his predecessor. The contractors suspended operations and appealed to the Governor and Council for protection and redress. An investigating committee was appointed by the Governor. Their report fully endorsed the contractors and censured the State Engineer, whose acts were declared to be in violation of good faith. An order reported by the Committee of Investigation to require the State Engineer to revise his estimates and conform to the agreements and prices of his predecessor, the Governor refused to put to vote; declared that the committee had transcended their authority, and determined to order a re-hearing before the whole Council.

At this second hearing, by some omission, probably unintentional, no notices were sent to the railroad company or the contractors, and they were neither present nor represented. The hearing was entirely *ex parte*. Some of the professional friends of the State Engineer gave opinions, which the Governor considered as sustaining his action, but the Council differed in opinion from His Excellency and presented a protest against his action. This protest, having been refused a place upon the records of the Council, was published in the papers of the day. It was in the words following, to wit:

Protest of Council against the Action of Gov. Andrew.

COMMONWEALTH OF MASSACHUSETTS.

Executive Department, Council Chamber, Boston, Dec. 26, 1861.

In the matter of the Troy & Greenfield Railroad Company, the undersigned members of the Executive Council, dissenting from the opinion of his Excellency the Governor, given Sept. 26, 1861, and his reasons therefor, so far as he indorses the official policy of the present State engineer, desire to place on record the ground for such dissent as follows:

It is our opinion that the good faith of the State was lawfully pledged by the first engineer appointed under the act of 1860 to the estimates agreed to by him which became the basis for the sub-contracts for the building of the road, and that no succeeding engineer could rightfully "impose new requirements" or change the basis in reference to work done and materials furnished previous to his appointment—nor afterwards until authorized so to do by the Governor and Council who alone are empowered by law "to correct abuses, remedy defects and enforce requirements, by withholding scrip or imposing new requirements as the interests of the Commonwealth shall in their opinion require."

This seems to us to be an interpretation of the law which best accords with the spirit of the statute without infringing upon its letter and the one best adapted to serve the interests of the State.

(Signed) HUGH W. GREEN.
E. C. SHERMAN.
JOEL HAYDEN.
JOHN I. BAKER.
JAMES RITCHIE.
JAMES M. SHUTE.
OAKES AMES.

The original protest, with the actual signatures of seven out of the eight members of Council, is in the possession of a gentleman of Boston, and is now before the writer; on the back is the indorsement of the Councillor who presented it:

"Presented in Council Dec. 31, 1861, with a motion that it be entered on the record. His Excellency refused to receive it or allow the motion to be put, on the ground that no matter could be brought before Council except by him, and ignoring the fact that this subject had been so brought before the Council by him and no vote taken on it."

In consequence of the refusal of the Governor to receive this protest, or allow it to be entered upon the minutes, the paper, with all the signatures attached, was published in the Boston *Post* of Jan. 23, 1862, accompanied by explanations, reflecting very severely upon the action of His Excellency as illegal, unconstitutional and discourteous to his official advisers, claiming that a privilege of entering on the record a dissent guarantee to each member by the constitution had been denied to seven-eights of the Council.

This publication, now before the writer, states that the State Engineer, appointed by the Governor, sent an assistant to revise the estimates of his predecessor, and that his report rather increased the amount due contractors. He was not satisfied with this result, went himself with another assistant, and after a full examination the result of their figures did not materially differ from the rejected estimate. The State Engineer was still dissatisfied, and, "as figures and facts would not produce such a result as was desired, he proceeded arbitrarily to cut down the estimate and to do without reason what he could find no proper reason to justify. On this estimate for services rendered under the superintendence and according to the requirements of his predecessor, about $100,000 were withheld, compelling an immediate suspension of the road on the eve of its completion, and when a further expenditure of only $103,000 was required to place the road in running order, and thus provide the State with a living and valuable security for its advances."

After this protest no further action could be taken. The Governor sustained the State engineer, and the Council the contractors. All hands were discharged from the road and all operations suspended. When the legislature met in 1862 the condition of affairs was reported, and a joint special committee appointed, of 7 from the House and 3 from the Senate, to whom the whole matter was referred.

HOOSAC TUNNEL—NO. 7.

In former numbers we have endeavored to present such facts in connection with the Troy & Greenfield Railroad Company, and the work with which it has been connected, as to enable our readers to understand the grounds for the claims as set forth in the memorial. The tunnel literature for the last quarter of a century fills many volumes. In the brief sketch we have given, only the salient points bearing upon present issues have been presented. There was much detail in the investigations of 1860, 1861, and 1862, in reference to engineering questions of slopes, trestles and bridges, which we do not propose to review. The testimony was in some respects conflicting, but there was one very material point that seems to have been clearly established, that the act of 1860 took the control of location and construction out of the hands both of the railroad corporation and of the contractors, and provided for the appointment by the Governor and Council of a State engineer, one of whose first duties was to cause to be made and filed an entirely new location of the road, and as it was also his duty to distribute the unexpended portion of the State loan over the whole road and tunnel in proportion to progress, it was necessary for him, as preparatory to such distribution, to determine every engineering point and decide every question of plan, location, or construction. If any defects existed in any of these particulars, as have been charged, the responsibility rested with the State engineer and not with the corporation, its officers or agents, and the unsparing condemnation that was visited upon them seems to have been undeserved, for if the location and construction of the railroad and tunnel were defective, as the advocates of the State supervision attempted to show, in palliation of the arbitrary action of the State, the fault, if any, was not with the corporation but with the State engineer, and the testimony of this officer was that he required a road constructed as new roads usually are when brought into use.

The record does not show that previous to 1861 there had been any failure of the corporation to comply with the provisions of the statute, and at this time it seems to have been the opinion of the Executive Council, as also of an investigating committee of the legislature, that the suspension of the work was caused by mistakes or improper acts of an officer of the State, rather than from any fault of the company, and it appears at this day to have been rather harsh treatment to deprive a corporation of its road and suspend for a period of 14 years the exercise of its corporate privileges and franchises, as a consequence of acts for which it was not responsible. It was to be expected that in yielding to the demands of the State for a surrender of its property, the corporation would insist on conditions of redemption adequate for its protection.

The Attorney General, in an opinion given in 1874, recognizes as a fact that the corporation had expended more than a million of dollars in excess of the advances by the State. If the State shall now refuse to recognize the right of redemption, will she not be bound to make restitution to towns and individuals. On what ground, constitutional, equitable or otherwise, can a Commonwealth appropriate to public uses private property without compensation? We understand that there are between 1100 and 1200 stockholders on the books of the Troy & Greenfield Railroad Company, including several of the towns in Franklin and Berkshire counties. Can the State rightfully confiscate the property of these towns and of her citizens?

We have now presented our readers with a history of operations under the Troy & Greenfield Railroad Company and its contractors. They commenced the work under many and great discouragements; the tunnel was the object of ridicule; it was characterized in dignified official documents as visionary and impracticable, a popular poet thought it time to order ascension robes when the first wheel rolled through the Hoosac Tunnel, but Haupt & Co. had faith and manifested it by works; they proved the tunnel practicable by making progress and then the tune of

their opponents was changed, the cry then was, "these men are making too much money, two millions of dollars is an excessive price; they are swindling the Commonwealth." The railroad company thought they were making a very good bargain indeed when they secured parties of high position and responsibility to undertake the whole road and tunnel for $4,000,000, half of it in company bonds and stock. No Massachusetts contractors were willing to undertake the work at that price, they had the opportunity but did not use it and it is too late now to assert that the price was extravagant, when under State management the expenditure has been, *in cash*, four times as great as the contract made by the corporation without securing thereby such improvement in location and construction, so far as the records show, as will cheapen transportation and increase facilities for the business at command.

In our second article we recited the legislation from 1857 to 1860, and the reasons for the radical changes in the conditions of the loan act made by the Kimball committee in 1860, an act the object of which appears to be to solve the problem of securing the completion of the Troy & Greenfield Railroad and Hoosac Tunnel without increasing the two million loan and of protecting the interests of the State in regard to location and construction, by the appointment of a State engineer by the Governor and Council. These objects appeared to have been as effectually secured as it was possible by legislation. The railroad company and contractors appeared satisfied with the amount of the loan, never asked an increase, and always represented it as sufficient, while the act required by the State engineer fulfilled the requirements of the act and the demands of business, and, as the testimony proved, had a capacity for transportation superior to that of any of its connections east or west.

In the third article the questions are considered whether a single track tunnel would have satisfied the demands of commerce, and whether the company could have completed the road and tunnel without further aid from the State. An affirmative answer in both cases would seem to be warranted by the facts stated.

The fourth article gives the causes of suspension in 1861, the subsequent action of the State authorities and the protest of Council against the action of the Governor.

The fifth refers to the legislation of 1862 and the conditions under which the property of the company was surrendered to the Commonwealth, and explains the reason for the limitation of expenditure to $2,000,000.

The sixth attempts to explain the apparent absurdity of the claim of the corporation that under their management the work would have been completed without an increase in the $2,000,000 loan, and accounts in part for the excessively increased expenditures under State management.

We have now given all the facts that appear to be really material to enable the public to judge of the merits of the claim of the Troy & Greenfield Railroad Company. The subject is one of the gravest importance to Massachusetts.

The commissioners and other representatives of the State appear to have ignored entirely the existence and rights of the corporation, and have proceeded as if the ownership of the tunnel and road by the State was unquestioned. If after the expenditure of two millions of dollars the commissioners had asked for a convention of the stockholders, and induced them, by a stock vote, to remove the limitations and restrictions of the act, the interests of the State would have been protected; but this was not done, and now the corporation very naturally insists upon their reserved rights and disclaim responsibility for expenditures, which they consider wasteful and improper, and over which they had no control.

It would no doubt be very unpleasant for the tax payers of the Commonwealth to surrender a property on which they had expended seventeen millions, for the sum of two millions; but if this was the contract, if these were the conditions on which the State accepted the surrender, took possession, and assumed the trust, — if the State changed the plans without consent of the corporation, and made excessive, extravagant and wasteful expenditures, as is claimed, in Deerfield dam, central shaft, reconstructing of road along Deerfield, and in many other ways, the corporation denies that it is for such acts in any way responsible. In the hands of their own engineers and contractors, they assert that they had conclusively established the fact that the original two million loan was sufficient to complete the route in a manner that would have fully met all the requirements of business, and given the Troy & Greenfield division a capacity equal to that of any other portion of the line. Conceding that the expenditures by the State have given in some respects a better road and a wider tunnel, it is nevertheless claimed that the improvements were unnecessary, do not cheapen transportation, and were made without the consent of the corporation being first asked and obtained. The act of 1862 authorized certain changes in alignment, but only within the limits of expenditure therein prescribed.

The question what is to be done, is now before the legislature; the public will await the decision with great interest.

It was observed by Mr. Kalmbach when he visited the Hoosac Tunnel that pounds of nitro-glycerine were used where ounces, properly applied, would have sufficed, and that at the time when he visited the work the use of nitro-glycerine was so excessive that he would have been willing to do the whole work in his own way for what the nitro-glycerine was costing.

But all other wasteful and unnecessary expenditures have been thrown in the shade by the alterations in the road between Greenfield and the tunnel. It must be remembered that this portion of the road, as originally located and constructed under the provisions of the act of 1860, possessed characteristics superior to and a capacity for business greater than any other portion of the line. Improvement was therefore utterly useless until the capacity of other portions were increased, and even then improvements would only have been needed at the points of maximum resistance.

We are informed that in the location of the Pennsylvania Railroad, which now carries ten millions of tons annually, distance saved was estimated as worth $53,000 per mile of additional cost, but on the Troy & Greenfield Railroad the State has thrown away several millions without any reduction of distance, the half mil-gained by alterations in the valley of the Deerfield having been lost at the Greenfield end by the new line into that town. All these millions expended east of the tunnel will not cheapen transportation appreciably, or increase to any extent the capacity of the line, and the alterations appear to have been an engineering blunder of the gravest magnitude.

We have tried to show where money has been sunk by the State without conferring any value upon the property, and to complete the aggregate, over three millions of interest must be added. Had the tunnel remained in the hands of the company not a dollar of interest would have been paid by the State, and the sinking fund would have taken care of the principal at maturity. Instead of imposing a burden of seventeen millions upon the Commonwealth, there would not have been one cent, if the status in 1861 had remained undisturbed.

Hoosac Tunnel Consolidation.

The subject of consolidation for the operation of the Hoosac Tunnel line, has engaged the public attention during the past week in an extraordinary degree. The subject has been under discussion, more or less elaborately, at the meeting of the Board of Trade on Monday, at the annual meetings of the Vermont and Massachusetts and Boston and Albany Railroads, on Wednesday, and before the Committee on Railroads at the State House every day in the week. There are now distinctly before the public three methods for effecting consolidation and securing the most complete and efficient operation of the line: these are a consolidation under State management; consolidation by the Fitchburg, Vermont and Massachusetts and Troy and Boston Railroads, and consolidation by a union of the Fitchburg and Lowell companies with authority to lease or purchase the roads of the other parties in the line. Each of the methods has its advocates, and they all profess to desire the consummation of the best and wisest plan. The proposition for the State to take and run the line has some very strong advocates, and among these the Railroad Commissioners, but it can hardly be said that it meets with any considerable degree of public favor; and to say the least of it, it is not probable that this plan will be adopted by the Legislature; and it is equally uncertain what disposition will be made of the tunnel itself.

The second proposition for the union of the companies in the direct line—if it were a perfectly practicable plan and included the means necessary for the accomplishment of the great object in view,—would stand much stronger than it now does in the public mind and before the Legislature; but it is apparent that such a consolidation would be inefficient, and wholly unable to meet the necessary outlay for improvement, enlargement and extension of the lines, and utterly unable to provide the necessary terminal facilities at this end of the line, without which its success will be impossible. A consolidation of the Fitchburg road with the others, with a just regard to the interests of its stockholders, is deemed impossible.

The third proposition is for a consolidation of two strong companies, with authority to lease or purchase all the other parties having an interest in the line: this will consolidate the line as desired, place it under one management, and afford ample means for all extensions and improvements on the line and at either end of it. This combination will save the expenditure of a large sum of money by the Commonwealth or the Fitchburg Company, will secure efficient management of the line, and the possession of the best terminal facilities which Boston harbor can afford. No one doubts the ability of the Commonwealth to manage the line, if it be thought good policy for the State to engage in this kind of business, but the mass of the people think it had better be left in the hands of private corporations, as is the case with other large business matters. The advantages offered by the consolidation of the Fitchburg and Lowell lines are so great, that the proposition has gained strength every day that it has been before the public, and is undoubtedly the best means of obtaining what all parties desire—a competent, efficient and reliable line.

In addition to these considerations the consolidation proposed will avoid the most objectionable feature in the railroad system of Massachusetts—the half dozen railroad crossings in this city in the neighborhood of the Prison Point bridge, the importance of which the people of this city are well able to judge. No other feasible plan has ever been devised for the removal of this very objectionable feature. More than one thousand dangerous crossings, to say nothing of the detentions, per day will be avoided. To accomplish this great object the Fitchburng trains will run into the new Lowell station, the Eastern will occupy the present Fithburg station and the Maine will probably purchase the present Eastern. This accomplished and a through western line of commanding ability, with one or two lines of European steamers, who shall say that Boston is not on the high road to prosperity and greatness.

THE FITCHBURG RAILROAD,

AND THE

TWENTY PER CENT CONTRACT.

The enemies of the toll-gate system (Ho. Doc. No. 127), are striving to convince the House that the clause in Sect. 5 of that bill, which provides for the release of the railroads forming part of the original Tunnel Line, from the obligation of the twenty per cent contract, is inserted as a favor to the Fitchburg Railroad; and that that corporation is trying to get rid of a contract which ought to be enforced against it by the State. Is there any truth in this charge?

The essential part of that contract is the agreement made by the Fitchburg, the Vermont and Massachusetts, and the Troy and Boston to pay to the State one-fifth of their respective gross earnings upon such passenger and freight business as shall pass upon or over any part or the whole of the Troy and Greenfield Railroad.

Now, what was the inducement that led these roads to make such a contract? It is found in the recital in the contract, and was the expected benefit which these roads would receive "forming *the line* from Boston, *via* Fitchburg and Greenfield, to Troy," by the completion of the Tunnel. This benefit was to accrue from the business that would arise from the opening of the Tunnel. That business would be done, in the contemplation of the contract and the contracting parties, by the Tunnel Line, and not otherwise. The contract provides for a *pro-rata* division of receipts, according to the distance of carriage of freight or passengers. The whole effect of the contract is, that the Troy and Boston, the Vermont and Massachusetts, and the Fitchburg, shall have and do the business, and, for the benefit thus derived, pay the price named. And the State, if not in terms, at least by clear implication, promised to secure to these roads the whole business, as fully and as fairly, as the corporations on their part promised to pay the price.

It is true that the consideration of the contract is stated to be that the Commonwealth "shall construct or complete, or cause to be constructed or completed, the Tunnel;" but this mention of the consideration is to be taken in connection with the recital before referred to. And the sole reason why that was esteemed a valuable consideration was, in the words of the contract, "the vast benefit to *the said whole line* of railroads from Boston to Troy." It is plain, that, had it been proposed at that time to merge the Tunnel when completed in some other line of railroad, the State would never have asked, nor the corporations have offered to make, such a contract.

This contract then looked to but one Tunnel Line. *The essential feature of the toll-gate system is, that it looks to several lines,* and *aims to give each one an equal share in the business that passes through the Tunnel.* It is an entire change in the plan originally contemplated by the State and the contracting corporations. Now, what does the Fitchburg Railroad ask under these changed conditions. Does it insist that the State shall give its line all the business? That the pirit, if not the exact letter, of the contract in this respect shall be lived up to? Not at all. It says to the State, Very well. If you wish to use the Tunnel for all competing roads, to give all an equal chance, do so. We do not object; but make that equality real. We are content to pay the same tolls as other roads; but, if we are not to receive the benefit in consideration of which we signed the contract, it is not just to hold us to pay the same tolls as other roads pay, and then make us pay besides, what other roads do not pay, one-fifth of all gross earnings to the State. We do not ask relief as a favor: we say it is simply fair between man and man. It rests on the plainest principles of equity.

Would any court, will the Legislature, the General Court, ever hold one party to perform his part of a contract, when the other party declines to perform his? And should the State be any less willing to release the Railroad Company, because the Company is ready and willing the State should do as it sees fit with the Tunnel, and does not insist on holding the State to its original plan and contract?

The Committee of 1874, Senate Doc., 1874, No. 112, indorse the views here presented. On p. 4 they speak of the "accumulation of evidence that the Commonwealth, in the formation of the Troy and Greenfield Railroad Company, originally, and in its own undertakings subsequently, to construct, complete, and equip said railroad, and the Hoosac Tunnel, acted with the purpose of making a through line from Boston to Troy, *via* the Fitchburg, the Vermont and Massachusetts, the Troy and Greenfield, and the Troy and Boston Railroads." They go on, and enumerate the obligations assumed by the State to build the Tunnel, and Troy and Greenfield Railroad; laying particular stress on the twenty per cent contract (p. 6); and assuming that they must frame a bill on the theory that this contract was binding on the State, and that the benefit thereby conferred on the corporations contracting could not be taken from them without their consent, and yet desiring to let other roads have a share of the Tunnel business, they provided in their bill, Sect. 9, for giving to other railroads not on the Tunnel Line equal running facilities, the same to be determined, in case of disagreement, by arbitration, "*provided, however,* that the terms which may be so awarded to any such connecting railroad, shall not be more favorable than these upon which the Vermont and Massachusetts, the Fitchburg, and Troy and Boston Railroad Companies, or either of them, may have connection."

But, in the second place, it is not only just to the corporations to release them from this contract; it is for the interest of the State to do so. Here, again, we refer to the report of

the same committee. While they felt bound to recognize the contract, and to frame their Act with reference to its terms, they yet saw that to enforce the contract would be very unwise. They say, p. 6, "Under the altered conditions in railroad business which have arisen since the contract was made, and which have increased the ratio of expenses to gross earnings, such specific performance may be so onerous as to call for the relief of the several companies until such conditions shall have again become more favorable, or *to cause an increase of their transportation tariff*, which in time would defeat the chief purpose of the construction of the Tunnel, namely, the creating of a competing line of railroad between Boston and the West," thereby cheapening Transportation.

The committee were alive to the fact, so clearly pointed out by Judge Hoar in his opinion appended to the Report of the Corporators of the Boston, Hoosac Tunnel, and Western Railroad Company. While holding the contract to be binding, he adds, "Its value may depend on the question, whether the railroads can afford to do the business referred to upon such terms? If they cannot, and the contract is so improvident that it would be ruinous or greatly injurious to them, as there is nothing in the law or the contract to limit the price which they shall charge for the business, they would be likely to protect themselves by fixing such rates of fares and freights as would result in doing very little business of such an unprofitable kind. The value of a contract thus limited would not probably be great; and it would undoubtedly not be sound policy for the Commonwealth to adhere to a contract which should interfere with the use of the Tunnel to the fullest extent upon reasonably remunerative terms."

There are but two ways to do justice by the original Tunnel Line. One is the provision of the committee of last year, to stand by the contract, but enact that no other connecting road shall have more favorable terms than the original contracting corporations. This would exact the twenty per cent from all alike; but, as the expenses are now seventy-five per cent on local, and ninety per cent on through business, of the gross earnings, where they were formerly but fifty per cent, it is evident that such a course would require the corporations to raise their rates, and so "defeat the chief purpose of the construction of the Tunnel." The other course is to wipe out all existing causes of inequality, release this unjust and unprofitable contract, and start fair, treating all railroads alike, and imposing equal tolls on all, and no extraordinary burdens on any. This the bill now before the House professes to do, and to oppose this provision is really to oppose the bill itself; for its principle is equity to all.

A suggestion has been made that relief might be found by suspending the operation of the contract. But such a course would be not only temporizing but unwise. What all connecting corporations want is to know with certainty what to expect. All must make large outlays to put themselves in a condition to do the expected business. No prudent company will make this expenditure on an uncertainty. If after one, two, or five years the burden of the contract shall be revived, or may be revived, the inducement for exertion is gone. And, as we have shown, if the burden of the contract is to be put upon one corporation, it should be put upon all that share the benefit of the completion of the Tunnel. And in this respect the Legislature may be relied on to do justice between the different competing roads. So that it is for the interest of every corporation that expects to use the Tunnnl, that this contract should be terminated at once and finally. It is no less for the interest of the people of the State, who want some assurance of cheaper rates of transportation, not for one, or five years, but for all the future.

We have treated this question on general views, and are loath to refer to particular corporations. But an illustration will show so well the working of the enforcement of the twenty per cent contract, that we give one, without intending to impute to the corporations named any part in the movement to strike out the last clause of Sect. 5 of House, No. 127. The Fitchburg, through the Vermont and Massachusetts, connects with the Troy and Greenfield at Greenfield. The Connecticut River Railroad and Troy and Green field could be made connecting roads at the same place by a few hours' labor. The Connecticut River connects with the Boston and Albany at Springfield. Two car-loads of freight come through the Tunnel, one to go to Boston *via* Fitchburg, the other *via* Springfield. Each receiving road pays the same toll. The distance by way of Fitchburg is shorter; but, *the contract not being released*, the Fitchburg pays to the State one-fifth of the gross sum received by it for transporting the car to Boston. The Connecticut River Railroad and the Boston and Albany Railroad pay nothing. The result would be, that substantially all the freight for the Tunnel would go over the Boston and Albany; and the Tunnel, instead of opening up a competing line, would be a mere feeder to the Boston and Albany. This would be the effect of adopting the pending bill, and keeping the contract in force. Unless, indeed, the Fitchburg should be willing to draw the cars for nothing, and pay for the privilege. Is it possible that any man in the Legislature can be so friendly to one corporation, or so hostile to another, as to desire to turn all Western freight and traffic into one channel, and deprive the original Tunnel Line of all participation in the Tunnel business, except at a ruinous sacrifice? We cannot think so.

Yet, if there be any whose whole stock of argument on the Tunnel question consists in abuse of the Fitchburg Railroad Company, they will do well to remember, that, when the Legislature were disposed to try the experiment of State Management, the company were ready to part with their franchise and property at a fair valuation, although they insisted upon payment in something of more certain value than stock certificates in a contemplated corporation; that now and always, if the State desires to conduct the Tunnel Line on the basis of existing contracts, the company ask no change, but simply claim the benefit of the contracts, if they are to be held to the burden of them; that if the State desires to try the toll-gate system, the corporation is equally ready to co-operate with the State, and asks no more than the State is ready to give to other competing corporations.

To claim that a company, that takes and for years has taken this position, is to be pursued and punished and maligned, must be an indication of prejudice, and is not the prompting of a love of

EXACT JUSTICE.

The Massachusetts Central R. R.

Immediately after the election of the new Board of Directors in April they determined to make one more vigorous effort to complete the road, and the result shows that they have not labored in vain, as up to the annual meeting in October they had collected nearly $40,000 in stock subscriptions and bills receivable, and secured other sums to the amount of about $22,000. They also commenced a suit against the town of Boylston for the collection of about $32,000 of stock subscribed, and postponed the sale of the stock subscribed by the town of Hardwick, by mutual agreement, which indicates that that subscription will also be paid at an early day. Of $203,000 worth of bonds, pledged as collateral for outstanding liabilities, $102,000 has been redeemed, leaving a balance of only $101,000. Of the $995,000 first mortgage bonds paid Mr. Munson for work done on the road, but now held by other parties, arrangements have been made for restoring them, and leaving a margin in favor of the company.

In addition to this very flattering outlook, stock to the amount of $900,000 has been placed in the hands of a trustee for the benefit of the corporation, or, in other words, to be reduced to twenty-five per cent. of its original value upon the condition that the road shall be completed on or before November 1, 1880. On the 5th of last June, the company made a new contract with Mr. Munson, which requires him to fully complete and equip the road on or before November 1, 1880, since which time engineers have been busy in looking over the route, preparatory to commencing operations. A sub-contract has already been made with Mr. John Dorr, of Waltham, which requires him to complete the grading and masonry from Hudson through Sudbury and Weston to the intersection of the Fitchburg Railroad, a distance of about sixteen miles, on or before May 1, 1879, and accordingly ground was broken on Monday, Dec. 23d, it being seven years to a day from the first breaking of ground in 1871.

Two other short lines of road will be necessary in order to make the connections from Boston with the Tunnel, viz., a road of some thirteen miles from Amherst to West Deerfield, on the Troy and Greenfield road, and from Stony Brook to Boston. General Hancock has surveyed and just completed a map of a proposed line. It contemplates crossing the Fitchburg Railroad from a third to half a mile north of the Stony Brook station, running nearly in a direct line to Waltham, along the southern slope of Prospect Hill, through the estate of the Hon. N. P. Banks, abou 1000 feet north of his house; thence thro' Waltham some 1700 feet from Main St., opposite or north of the Fitchburg Railroad station; thence in a very direct line, nearing and crossing the Fitchburg road again east of Clematis Brook Station in Waltham, near the Waverly line, and recrossing to the north in Belmont, after compassing Wellington hill. All the crossings are to be above grade. If this line is adopted, the road will intersect with the Middlesex Central in Cambridge, very near the Somerville line; and, in anticipation of this route, negotiations are going on with the Boston and Lowell Railroad for terminal facilities to Boston. But there is another road, called the Boston and Northwestern, which is to start from a point close to the Massachusetts Central in Weston, thence running through Weston, the Newtons, Brookline, Roxbury, crossing the Providence Railroad by a bridge at Mount Bowdoin, and having its eastern terminus on the South Boston Flats. This road is now negotiating for funds in London, and its success seems assured. Many friends of both roads feel that this is the natural terminus of the Massachusetts Central, and it is reported that steps are to be taken to bring this about. The present Legislature will be asked to grant an extension of the Massachusetts Central from Amherst to West Deerfield, a distance of some thirteen miles, and also from Weston to Boston, or to consolidate with roads to be built between these points. With the present outlook there seems to be but little doubt among railroad men that other lines of communication will soon be needed to accommodate the growing trade between Boston and the West.—Globe.

Boston Journal.

WITH SUPPLEMENT.

SATURDAY EVENING, MAY 17, '79.

SINGLE COPIES THREE CENTS.

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Tunnel Notes.

The traffic through the tunnel continues to show a large increase. The number of loaded freight cars coming East for the month of May was 4360, an increase of 1233 cars over the same month last year, and 2490 increase over the month of May in 1877. The number of loaded cars that left East Albany via the Boston and Albany road last month was 12,737. If the Hoosac Tunnel Line can be continued in its present state of activity, there will undoubtedly be a large increase of business through the tunnel, as there are several things in its favor as compared with rival routes.

One of these is owing to the fact that the Western railroads receive a larger proportion of the total gross earnings upon business via the tunnel than via other routes. We can illustrate this best, perhaps, by giving a copy of a through waybill via the Canada Southern Line, a line which runs over both the tunnel line and the Boston and Albany:

DISTANCES AND PROPORTIONS.

	Chicago to Boston via Boston and Albany.		Chicago to Boston via Tunnel.	
	Miles.	Earnings.	Miles.	Earn'gs.
Michigan Central.....	284	$27 87	284	$28 06
Canada Southern.....	224	21 97	224	22 24
New York Central....	310	30 30	311	30 79
Boston and Albany...	201	19 86 R.R.	191	18 91
	1019	$100 00	1010	$100 00

The 191 miles and $18 91 at the bottom of the right-hand columns represent the line from Troy to Boston, via the Tunnel, as against the 201 miles and $19 86 at the bottom of the other columns, which show the share that the Boston and Albany gets out of every $100 of freight money received via this route.

It will be observed that upon the above waybill the Michigan Central, the Canada Southern and New York Central receive a larger share of the earnings if the traffic comes via the Tunnel than if it should come over the Boston and Albany Railroad. There is in other cases a larger gain to the Western roads in sending business through the tunnel than in the instance given above, and with the small margin of profit in these times of low rates the Western roads are inclined to select the route that will give the largest returns.

As compared with New York, Boston is a favorite port for foreign freights, for the reason that the New York roads demand an arbitrary of 70 cents per ton for taking freight from their depots to vessels, warehouses, &c., while here in Boston this charge is covered by an allowance of an extra 90 miles. This, at a rate of only 20 cents per 100 pounds from Chicago to Boston, amounts to less than 10 cents per ton, instead of the 70 cents exacted in New York for doing the same work.

While this discrimination is advantageous to the Western roads, it is a hardship to our Boston roads, and in connection with the workings of the present system, by which the Western roads get in some cases 50 per cent. more for Boston freight than for the same classes of freight destined for New York, should be remedied.

The Springfield *Republican* would doubtless desire to have the impression conveyed abroad that Governor Talbot and the Council have not concurred in Manager Gardner's recommendation that the Tunnel road be let out to the Fitchburg road to operate at cost, as stated by it a few days since. The real facts of the case are that the Governor has requested the Attorney General to express his opinion as to whether the offer of the Fitchburg Railroad comes within the scope of the act establishing the toll-gate principle. If a favorable opinion is given, which may be expected within a day or two, then there is every reason to hope that the Tunnel controversy will come to a satisfactory conclusion.

The Toll Question Again.

So far as we are able to judge from present appearances, there has grown up a very unfortunate state of affairs concerning the present attitude of those who are controlling the Troy and Greenfield Railroad upon the one hand, and the party now operating it upon the other. All prospects of developing accommodation not only for an increased business that the present connections may bring to us, but for the new Erie connection, upon which millions of dollars have been expended west of the tunnel, and upon which so many great expectations have been built up, are gloomy so long as the present condition of things continues. Not only so, but from present indications we should not be surprised to learn of the disruption of the present Hoosac Tunnel Line, which, comprising as it does some twenty of the principal railroads of the country, with five thousand freight cars on the track, has done exceedingly well in developing the business that has come through the tunnel to the benefit of the treasury of the Commonwealth, as the $150,000 above operating expenses earned by the tunnel railroad last year abundantly proves. This threatened abandonment of the tunnel as one of our means of reaching the West and of developing our commerce is owing to the refusal to reduce the tolls which the Commonwealth now imposes upon business passing through the tunnel.

We were in hopes that some arrangement could be made by which the tolls could be distributed upon the whole distance between Boston and the West, but these efforts have so far failed.

That the burden upon future business, if rates are to continue as at present, is too severe to be borne by our local roads, is evident at a glance.

The immense business that will come through the tunnel will be mostly fourth class freight for shipment abroad, as no large increase can be expected in either local business or shipments westward. Let us see how the present tolls of 66⅔ per cent. upon the gross earnings of all business through the tunnel operates. Twenty cents per 100 pounds from Chicago to Boston and New York has been the ruling rate for some time upon traffic for ocean shipment, except that 15 cents has been the price for a considerable portion of the time, and there is every probability that 20 cents will be the average rate for the future. Taking out the mileage allowed for terminal charges here in Boston and the distance from Chicago will be about 1000 miles, or with a 20 cent rate 4 mills per mile. We shall thus have for the 37 miles of the Troy and Greenfield road, operated by the Fitchburg Railroad at 4 mills per ton per mile, 15 cents; the tolls are 66⅔ per cent., or 10 cents; this leaves 5 cents. The usual car mileage, ¾ cent per mile, for 74 miles from North Adams to Greenfield and back, with 12 tons per car, is per ton 4 7-12 cents; balance left for hauling cars from North Adams to Greenfield loaded, back to North Adams empty, including fuel for locomotive, wages of train men, repairs, accidents, etc., per ton of 2000 pounds, 5-12 cents.

If the imposition of such tolls as we have allowed for the above does not indicate a determination to crush the goose we are dependent upon for laying the golden eggs, which the Commonwealth expects from its great expenditure of time and money upon the tunnel, then we fail to comprehend the situation. If the accomplished accountant of the Board of Railroad Commissioners can by any rule known only to railroad accountants, bring together an array of figures to prove that the Fitchburg Railroad, upon the 106 miles from Greenfield to Boston, can make sufficient profit upon through business to make up the inevitable loss of running the 37 miles of the Troy and Greenfield Railroad as shown above, then he will be the means of imparting to the managers and stockholders of that railroad, as well as to the public, information that will be as welcome as it well can be.

That the Boston, Hoosac Tunnel and Western Railroad, though its locomotive power is, as we believe from personal inspection, superior to any in New England, will be able to assume the burden of operating the tunnel with the present tolls, is out of the question. It is in fact beginning to dawn upon the minds of the capitalists in the management of that road that they will have sufficient duties upon their hands in handling the through traffic from Schenectady to North Adams as part of a line that will be 50 miles longer from Buffalo to North Adams than from Buffalo to the same point via the present Hoosac Tunnel line over the New York Central, with the grades in favor of the last named road west of Schenectady.

It has been intimated that the Connecticut River Railroad is desirous of running through and Greenfield Railroad upon the same terms that the Fitchburg now does. If this proposition should come from a desire to ruin itself for the benefit of the Hoosac Tunnel line and the commerce of Boston, well and good for this city generally, but bad for the stockholders of the River road. But if the rumored proposals are inspired by the management of the Boston and Albany with the view of levying a toll upon traffic passing through the tunnel in another shape from that now imposed by the Commonwealth then we can imagine no quicker method of destroying the usefulness of the tunnel. The same applies to the Boston, Hoosac Tunnel and Western Railroad, if a desire to operate the tunnel with the expectation of controlling rivals is at the bottom of any proposition to contribute liberally to the Treasury of the Commonwealth, as must be the case under the present rate for tolls and freight rates from the West to the seaboard. The State of New York was unable to find canalmen willing to ruin themselves by paying the old tolls upon the Erie Canal, when the rates by rail had decreased largely. Consequently the tolls were lowered. We have no faith, then, that the Governor and Council will be able to find parties, having the object for which the Tunnel was opened in view, who will take up the burden the Fitchburg Railroad will probably lay down.

While we should uphold the Governor and Council in purchasing power to operate the Commonwealth's railroad for which there is now no provision by law, we do not see how, in case that experiment is tried, anything will be gained, if, as is threatened, an arbitrary toll is to be levied to meet the cost of sustaining such experiment. It is admitted that the Commonwealth cannot operate the road as cheaply as connecting roads.

It is unfortunate that this question has been allowed to drift along since the commencement of the year. Whatever the outcome now, the interests of the Commonwealth are the most likely to suffer, and an understanding should be arrived at before the question becomes involved in more difficulties. If the purpose for which the Commonwealth has expended so many million dollars on the Hoosac Tunnel is defeated by unwise measures, then whoever or whatever defeats that purpose will be held to a strict accountability. If the correspondence that has passed between the parties interested be submitted to the public, it will not be a difficult matter to place the responsibility where it belongs. This correspondence is to be hoped will be forthcoming.

BOSTON:

SATURDAY MORNING, MAY 17, 1879.

THE TUNNEL MANAGEMENT.

The Threatened Dissolution of the Hoosac Tunnel Line—The Attitude of the Fitchburg Railroad Management—A Statement from Mr. W. H. Lincoln of Thayer & Lincoln.

The people of the State have an interest in the operation of the tunnel apart from all consideration relating to its cost. An immense sum of money has been expended to provide another route to the West, thereby securing to the people the benefits of cheap transportation, and to assist in developing the commerce of Boston. Whether this vast expenditure was wise, and whether the results can even under favorable circumstances be commensurate with the outlay, is not for us now to consider. To regard the tunnel as an investment from which the State must derive an income to meet the interest upon the cost, or even any considerable portion of it, and to manage the tunnel with this end solely in view, is a plan that will prove fatal to the interests that it was intended to promote, and will result in failure. Whatever blunders may have been committed in the past, it will be a still greater one, now that the tunnel exists, to bar all entrance to it by imposing such burdens upon the railways operating it that the traffic must be abandoned. The tunnel route, under proper management, can be made a source of increased prosperity to the State, and it is by dealing with the connecting railways in a liberal manner that a large volume of business can be turned in this direction.

In consequence of excessive competition for business from the West to the seaboard, rates for freight are very low; and, as this competition is likely to increase, rather than diminish, by the construction of additional routes at a largely reduced cost, it is not likely that rates will be much higher. The tendency is toward lower rates of freight than have prevailed in the past. As early as July 26, 1875, foreseeing the difficulties that were likely to arise, in a communication to you I then took the position that it was the office of the tunnel route to induce business, and that any arbitrary exaction of tolls would defeat the ends for which the tunnel was constructed; and in an editorial of that day you confirmed the views thus advanced. The tolls at that time were $4 per car, and a charge of $1 50 per car for motive power for hauling through the tunnel. This system was subsequently abandoned, and under the present plan the Fitchburg Railroad pay to the State two-thirds of the gross receipts over thirty-seven miles of the Troy and Greenfield road and furnish the motive power and pay all the train expenses. The State simply furnishes the road-bed, keeping same in repair, and maintains the stations on the line. The result is a large loss to the Fitchburg Railroad, and greater than it can afford to assume. Last December it applied to the governor and council for relief. The governor in February, 1879, granted a hearing, and the matter was referred to the railway commissioners. Considerable discussion then took place between the commissioners and the president of the Fitchburg Railroad. No agreement was concluded, and April 14 the president was informed that further discussion must be carried on with Mr. Gardner, who had lately been appointed to take charge of the interests of the State in the tunnel. A few days after, notice was sent to the president that the matter was in the hands of the governor and council, and after the adjournment of the legislature the president was informed that no reduction would be made.

There the subject now rests, and the question is about to be decided whether or not the tunnel line, which has been established after so much effort and expenditure of money, with its immense business and important connections, shall be wholly abandoned, its cars distributed among other lines and the business transferred to other channels. That is the question about to be decided, and for the paltry sum of about $50,000 per annum the State proposes to deprive the people of the benefits of this new route and to avail themselves of which they have spent twenty millions of dollars. The truth is, that the thirty-seven miles of road owned by the State, including the tunnel, is worth to the lines operating it just as much as any other 37 miles of road between here and Chicago. The roads west of Troy so regard it, and refuse to bear any portion of the burden, and as the New York Central, by its connection with the Boston and Albany, can secure the business without any such tax, it naturally refuses to share in the additional expense. The Boston and Albany would rightfully complain if it did. It is true the Erie Railway will soon have its connections completed with the tunnel, but in the sharp competition for business the question arises, whether the Erie will be willing to pay tribute on its business from which its strong competitor is exempt. And even if the Erie Railway should be willing to share the expense, is not the connection with the New York Central and its branches too important to be given up.

The Fitchburg Railroad has manifested a strong desire to build up a large business, it has acted in good faith, it has continued its relations with the tunnel line in the face of heavy loss, hoping that some changes would occur that would diminish the loss, and hold out stronger inducements for the future. It has now arrived at that point when it becomes necessary to the interests of the stockholders to discontinue the business upon such onerous conditions. My intimate relations with the president of the road, and the entire frankness that has characterized all his dealings with the firm of Thayer & Lincoln, assure me that he is sincere in his declarations, and his statements, that can be corroborated by trustworthy evidence, prove that he is justified in the position he has taken. He has offered to operate the Troy and Greenfield road free of profit, or the State can operate its own road and have its share of the income of the line. He has also offered to continue the present arrangement, provided the connecting roads will pay their proper share, based upon actual mileage. This they decline to do. There appears to be no good reason why a road 106 miles in length should pay a tax for the use of the tunnel, when the benefits from such use are shared by all the roads associated in the tunnel line. For reasons already given the railways decline to assume their proportion.

GROWTH OF THE BUSINESS OF THE LINE.

In September, 1875, the Hoosac tunnel line was formed, and consisted of 600 cars, with 11 connecting roads. There are now 5540 cars, and 23 roads are included in the line. The success of a line depends upon the completeness of its organization—its connection with the railway systems of the country, the number of the cars owned, and the capacity and efficiency of its agents stationed at the shipping points. To secure this requires a considerable outlay of money, large annual expenses and time to perfect the system. It cannot be brought into existence in a day, but it can be broken up and destroyed in a short time. The tunnel line is now in successful operation, as the following figures will show. In a month it may be disorganized and scattered to the winds. It is idle to say it cannot be done, for it will be done, and that speedily, until active measures are at once taken. The number of tons freight taken through the tunnel in year ending 1877 were 278,408; in 1877-78, 443,701. Number of east-bound loaded cars in year ending September 31, 1878, were 35,933. This will show the large and increasing business of the line. To accommodate this business the Fitchburg Railroad has expended two millions of dollars, and added nearly 50 per cent to capital invested. From 1871 to 1879 it has expended $490,793 for equipments, and for improvements $1,010,572. It has also leased the Vermont and Massachusetts Railroad, and expended upon it the sum of $639,000. It has also leased Constitution wharf, purchased the Shawmut elevator, and spent large sums in improving the terminal facilities. No efforts have been spared to secure for the tunnel line all the business possible.

It was supposed by the president of the Fitchburg Railroad that the amounts paid for car service and agency expenses would be deducted from gross earnings of the Troy and Greenfield before allowing the two-thirds to the State. This has not been done. The amount paid for car service last year over the road was $22,226. We will now give the results to the Fitchburg Railroad of operating the Troy and Greenfield road the past year: Total passenger receipts, $24,873; expenses, $41,605; loss, $16,732; total freight receipts, $51,849; total freight expenses, $85,490; loss, $33,641, to which must be added additional expenses incurred amounting to $2000, making a total loss of over $52,000. We will now present the result to the State:—

Income from passenger business	$49,759
Cost of same	24,234
Gain to State	$25,524
Income from freight business	103,698
Cost of same	41,069
Gain to State	$62,629

or a total profit of $88,153, while the Fitchburg Railroad has incurred a loss of $52,000.

The total receipts of the 37 miles included in the Tunnel and Troy and Greenfield Railroad as above, were $230,280, of which the Fitchburg railroad proportion is $76,722—being one-third—to which add the loss in operating, $50,373, makes a total of $127,095 which the road should have received to avoid loss on the expense of operating. This would give 55 24-70 of gross earnings. If settlement had been made upon this basis, the State would have received $103,067, and deducting expenses incurred, $65,033, would leave as net earnings to State $37,763. It appears that the Fitchburg Railroad is fully justified in the course it has taken, and it remains to be seen whether the business that has been established at great cost, and that is conferring such invaluable benefits to the people of the State, is to be seriously checked, if not destroyed. It is assumed that the Fitchburg Railroad can well afford to bear the loss of operating the Tunnel and State road on account of the profit acquired by reason of the large increase of business. It will be shown in a subsequent article that such assumption has no foundation in fact.

W. H. LINCOLN.

THE TUNNEL LINE—ITS THREATENED DISSOLUTION.

The business community will regret to learn that there is imminent danger that the Tunnel line will shortly be broken up. Such is the fact. In all probability a formal notice of withdrawal from the line will be voted at the next meeting of the directors of the Fitchburg Railroad, and as soon thereafter as it can be done consistently with the execution of contracts already made, the line will cease from business by reason of the withdrawal of the most important member of the association. The contract with the State will remain in force, but of course, as the revenue of the Commonwealth from the tunnel is based upon a percentage of gross receipts, that revenue must decline, temporarily at least, with the dissolution of the association that has built up the business.

This is the result of a long controversy between the state authorities and the managers of the Fitchburg road. The main facts are given in Mr. Lincoln's letter printed in another column. He states the case as it has been presented by the Fitchburg interest, to whom, it is claimed, the arrangement for operating the Troy and Greenfield Railroad and Hoosac Tunnel brings a loss. The more business it does, on their showing, the worse is its position. It proposes to withdraw from the Tunnel line in order to reduce this losing business. The state authorities, however, estimating the results of the business not from the cost on the Troy and Greenfield alone, but on the whole length of road operated by the Fitchburg company, find that the company makes a profit rather than a loss; and the decision arrived at by the governor and council is based upon this finding. In this method of showing the results of the business the governor and council followed the method of the railroad commissioners and the judgment of the manager the Tunnel line. The Fitchburg compan makes its decided protest at this point.

The withdrawal of the Fitchburg road from the association, we need not say, would be a very unfortunate result for all parties concerned. So far as it affects the Fitchburg Railroad it is only a misfortune in this sense, that, having expended large sums in preparing for a heavy traffic through the tunnel, it will not be able to utilize its facilities to the best advantage. But so far as the State itself, the mercantile community and the people at large are concerned, the failure of the line will be a calamity. The revenue from the State's property will certainly decline. The contribution which this new feeder to the commerce of Boston has been making will cease to flow in, and all the advantages—however great or small they may have been—of the competition between different lines for business will be lost.

We do not care now to estimate the value of the privileges conferred by the existence and the operation of the Tunnel route to the West. They might be easily either over- or under-estimated. But if they are not worth anything the line might as well be discontinued. We doubt if the people of the State are prepared for that. Nor can we at this time go into the merits of the controversy. It is asserted on behalf of the State that the business should be, and is, done by the Fitchburg Railroad managers at a profit; but this claim, whether the calculations upon which it is based are properly made or not, is opposed by the equally positive assertion of the railroad managers, who are noted for their conservatism and economy, that they cannot make money out of it. The offer they have made to operate the State's road at cost, and pay all the profits into the treasury, seems not only fair, but gives evidence of the sincerity of the Fitchburg directors in their objections to the present arrangement.

When the controversy is analyzed it will be found to rest mainly upon a difference of opinion arising out of an assumption on the one hand that the Troy and Greenfield road, including the tunnel, is more than so many miles of ordinary railroad, and a denial of it by the other party. The State desires a larger proportional share of the earnings upon its line on account of the heavy cost of the tunnel. The concession is not made to the Fitchburg road by the other and controlling members of the line, and yet the State exacts it from the Fitchburg corporation. Behind all this is a more fundamental principle. The toll-gate plan was foredoomed to failure. It is utterly impossible that the interests of the State as they are regarded by those who look upon the tunnel as an investment of public money, the interests of the railroads on either side of the Troy and Greenfield Railroad, and the interests of the public who desire cheap transportation and the growth of the commerce of Boston, can be harmonized. They are antagonistic in their nature. It was easy enough for peace to be preserved as long as the development of business was the first object at which all were aiming, but the moment there appeared to be some profit to be divided the parties fell apart. The present unsatisfactory situation has ensued. And though a peace should even now be patched up, the same questions will arise perpetually in new forms until they are quieted by a genuine consolidation of the various interests.

THE TUNNEL CONTROVERSY.

Another Letter from Mr. Lincoln—The Case Restated—A Thorough Investigation of the Claims Demanded—The Real Question to be Decided. May 28, 79.

To the Editors of the Boston Daily Advertiser:—

It was expected that different views would be held and expressed upon this subject. There are those who consider the question in a general way, and who decide upon the merits of the case without going below the surface; others who have some slight prejudice inclining them to regard with suspicion the statements put forth by a railway company, and there are many who are willing to accept the decision of the governor and council, based upon the report of the railroad commissioners, without inquiring at all into the actual facts that should govern such decision. It is hoped that the question will not be allowed to enter the arena of politics. The tendency at present is too much in that direction. The people of the State are deeply interested in the solution of this problem. The question for the people to consider is whether they are to enjoy the benefits of the tunnel in *full measure*, whether additional routes to the West are to be opened to us, securing cheaper transportation and a large increase of business, or whether, by imposing such burdens in connection with its use, it will not be to the advantage of any railway to connect with it; for the greater the business the greater will be the loss. I wish it distinctly understood that I do not put myself forward as the champion of the Fitchburg Railroad Company. My experience with railway companies, and it has been a limited one, does not lead me to regard with favor their pretensions or their methods of dealing with their patrons. I am aware that in espousing the cause of a railway company considerable opposition must be encountered, and nothing but a thorough investigation, resulting in a firm and unwavering conviction of the justice of the claims asserted, could possibly have induced me to take such a step. And I am fully satisfied the more the discussion is prolonged the stronger will be the conviction of the public. It was for the express purpose of submitting the question to a thorough and searching examination that the committee was appointed by the board of trade. Let the claims be thoroughly investigated, and all contested points subjected to the most critical analysis. Upon such an important subject the demand is that *nothing* be concealed, but that everything connected with it be exposed to the full light of day. It is perfectly natural that railway companies should be unpopular with the public. They have large powers, and a way of dealing with people that is arbitrary and exacting at times. Persons dealing with them have claims for losses and damage that are disallowed, and there are grievances relating to rates of fare and freight that are disregarded, so that it has become rather a popular thing to denounce railway companies.

THE ATTITUDE OF THE FITCHBURG ROAD.

It is argued that the Fitchburg Railway Company has resorted to the use of the lobby (and what railway company has not when its interests are at stake?) It is said its influence has been potent in shaping the legislation on all the tunnel business; that it procured the cancellation of its unfavorable contract with the State several years since, and that it is not entitled to any favorable consideration. All this may be granted, and the question remains,—what is to be done about it? But these statements are in part denied. The president says that no lobby has been employed in any way for several years, and that the cancellation of the contract was effected not upon the solicitation of the road, and the first proposition to make a toll-gate of the tunnel came from Governor Washburn. The contract provided that certain roads were to have the *exclusive* use of the tunnel upon certain terms. The people felt that no road should have such privilege, but that any and all roads desiring to connect with it should have the right, and the law was accordingly changed, and the toll-gate system adopted, at the same time giving to the Fitchburg road the liberty to cancel the contract. The law could hardly do otherwise, and the contract was cancelled.

The impression seems to prevail that the Fitchburg Railroad has some exclusive privilege, and the Springfield Republican conveys this idea when it says that "if the tunnel is to be run without profit, then it should be open to all railroads like the State upon the same terms," and "if the Fitchburg road demands a special right, it should at least be willing to pay something for it, &c." There seems to be a misapprehension of facts. The Fitchburg Railroad has no special rights. The use of the tunnel is open to all upon precisely the same terms. The fact is that the Fitchburg Railroad is the only road that has seen fit to make any connection. It began to prepare for the business when rates were remunerative, and it expected doubtless to profit largely by it. The competition of the great trunk lines, not only with each other, but with the water routes, to secure the through grain and provision business from the West has reduced the rates to a very low figure. No railroad dependent upon such business for income can long exist. The entire railroad system of the country demands a reform. There is no reason why the freight from Chicago to Boston should be less than from points within our own State that are directly upon the line of the road, yet such is the fact today. A system is adopted that wholly disregards the comparative cost of the service rendered. And, while a very large proportion of the cars bound westward return empty, the rates are threefold more than upon the same class of goods bound this way. A few individuals control the railway systems of the country, and it seems as if the strong arm of the government must be put forth to protect the people from extortion on the one hand and the ruinous results attending such excessive competition on the other.

THE LOSS ON THE THROUGH BUSINESS.

The statement cannot be successfully contradicted that the through business, or the business through the tunnel, has caused a large loss to the Fitchburg Railroad, independent of the State road.

To illustrate, take the current rate of today and see how much money can be made out of the through business. The present rate from Chicago to Boston is 12½ cents per 100 pounds,—distance 1000 miles,—equal to 2½ mills per ton per mile. The car service both ways is 1½ cents per mile run, which, with an average load of six tons each way, will make the actual cost for car service amount to 1¼ mills per ton per mile, or one-half the total receipts on the business. Bear in mind this is simply car service that is paid to the companies owning the cars, and does not include the expenses of running the trains or operating and maintaining the road. It allows the Fitchburg Railroad 7½ cents per car from Greenfield to Boston. The effect of this rate on the business over the Troy and Greenfield, where the Fitchburg pay two-thirds of the earnings to the State, leaving the company to pay eight-tenths of a mill per ton per mile, or a little over one-half the actual amount paid for car service, requires no comment. It is admitted these rates are unprecedently low. I asserted, and upon good authority, and it has not been questioned, that the Boston and Albany, with its thorough organization, its superior facilities, and a business largely in excess of the Tunnel line, made a loss upon its *through* business. It cannot be otherwise. Having a shorter track and more difficult grades, it is at a perpetual disadvantage as compared with the New York Central and other roads that have a much larger proportion of the through rates on account of their greater mileage. Now it is asserted that the figures as given by me are incorrect, but not the slightest proof is given, and one paper says the Fitchburg Railroad made about $60,000 on the through business; another puts it at $20,000 without saying anything at all about it. It is simply absurd upon the face of it. It is not in the nature of things that the Boston and Albany could lose and the Fitchburg Railroad make a large sum out of the same business and at equal rates. No railroad official will believe any such statement. Besides, is it possible that a competent and intelligent president, as every one will admit Mr. Stearns to be, does not know whether his road is making a large loss or a large profit, especially when he has made a most complete examination. It is said that the State has expended the income it has received for improvements, and therefore that no reduction should be made. But the fact is overlooked that the Fitchburg Railroad has also expended immense sums in the same way. It is said to be a poor rule that will not work both ways. I certainly did not intend to convey the idea that the State was making money out of the tunnel, but asserted that the Tunnel and Troy and Greenfield Railroad should be regarded as so many miles of road, and that the income must be based upon actual mileage. The *cost* of the road does not enter into the question. I did not state, as I might have done, that I had seen a letter written recently by Mr. Vanderbilt in which this principle was distinctly asserted. It is now a recognized principle with railroad officials.

THE REAL QUESTION TO BE DECIDED.

The real question to be considered and decided is, upon what terms shall the State allow the railroads to use the tunnel? What is it worth to the systems of railways that desire to use it? The railways west of the tunnel say it is worth its actual mileage and no more, and, furthermore, that is all they wil pay for it, and because they can employ their other connections without such charge. The Fitchburg Railroad had undertaken to assume the whole burden. It has given it a fair trial, and itnow comes forward, exhibits its accounts, and says this plan is a failure. Had rates been maintained as they were when we commenced preparing for this business, we could have made the business remunerative. But the tendency has been downward all the time, our losses in operating the tunnel have steadily increased, and we have now arrived at a point when common prudence and a regard for the rights of our stockholders demand that either the terms be changed, or the business abandoned. The latter course cannot now be pursued without submitting to considerable loss, and if the State is ready to deal with this question fairly we will continue the business and make the best of it. My position is this, that the road this side of the tunnel, having a mileage of only about 100 miles, cannot pay anything out of its own earnings for the use of the tunnel, and there is no reason why it should, and as yet no reason has been given. Most certainly a man would not pay for the privilege of conducting a business when it could be done only at a loss. The tunnel should be put in at its actual mileage, and open to all alike. It is worth no more to the railways East or West operating it than any other piece of road. If a tax is to be put upon all business passing through it, the rates of freight must be increased to meet it, and this will have the effect of sending the traffic to the other competing route, and also to other ports.

There is no occasion for all this abuse of the Fitchburg Railroad at this time. It is evidence of a weak cause when this is resorted to, and it *proves nothing*. As early as last December the president of the Fitchburg Railroad applied for a reduction. The delay has not been on his part. The final answer was not given till after the adjournment of the legislature. Why not remains with those who so long postponed their answer to decide. Put the blame, if there is any, where it belongs, and it will not rest upon the Fitchburg Railroad. It is quite true, as has been said, "the governor and council *were* standing perfectly still," but they were not "insisting upon bottom facts," for they already had them, and it is supposed had fully digested them; at any rate, no anxiety was shown for any more. The verdict had been given, the legislature had adjourned, and nothing more was to be said or done about it. That was the position of things exactly.

It has been *surmised* that the Fitchburg Railroad, after it has been relieved of the loss in operating the Troy and Greenfield Railroad, will next call upon the State to contribute to the loss made upon its own road. Such statements only serve to show the animus that governs the person who makes them. If no more forcible argument than that can be put forth, it will not be difficult to arrive at a satisfactory conclusion.

The Traveller disputes the correctness of the figures given by me, and refers to the official returns showing the amounts expended by the road for equipment and improvement. In reply I have to say that the figures are correct and can be proven, and that the official returns do not show the actual amounts expended for the reason that a portion of these improvements having been made during prosperous time were charged to expense account, and so do not appear. In the construction account, a reduction was made in the value of the cars owned by the company, so that the method of computation undertaken does not produce the correct result. The Traveller will recognize the importance of knowing all the facts before arriving at a conclusion. The Transcript unwittingly makes a great mistake when it states that the Fitchburg road makes the contract on all freight passing through the tunnel. The fact is, that it has nothing whatever to do with the rates on all freight bound from the West. These rates are fixed by western agents or the managers of the through lines. The rates on all freight west-bound are fixed by a tariff, and in all questions of rates, both by the Boston and Albany and the Fitchburg Railroad, the New York Central influence is all-powerful. The Fitchburg Railroad has very little to do with the rates, and certainly cannot control them. If it should undertake to impose any different rate than that agreed upon by other lines, not only would the freight go by some other channel, but it would at once disorganize the line. The road must either accept the rates made for it or go out of the business, and this is exactly what it proposes to do if the State does not relieve it of the burden of operating the Troy and Greenfield road at a loss. It is useless to attempt to answer all the criticisms that have been made, and I do not propose to be drawn into any side issues. With the past history of the Fitchburg Railroad I have nothing to do. I am well aware of the unlimited confidence the public has placed in the railroad commissioners, and the firm reliance of the people upon the honest purposes and high integrity of the governor. It required considerable courage to differ from them in their conclusions. There is no doubt they intend to act for the best interests of the State.

I have always taken a deep interest in the construction of the tunnel, believing it would contribute largely to the prosperity of the State and its capital. We have but just commenced reaping the benefits than will surely result. The Erie Railway, with its immense traffic, will soon be sending its cars throughout the State. Plans are being matured for putting us in connection at Oswego with the great systems of our inland water navigation.

It seemed impossible that any check should be put upon this rapidly increasing business, though I have always feared that the tunnel having cost so much money the danger was that the State would place such restrictions upon its use as to defeat in a great measure the benefits that should accrue. After a careful examination of all the papers my conviction was thorough and complete, and an appeal to the public appeared to be the only course to take. No reflections have been made as to the motions of any of the authorities. It is a question of facts that can be proved or disproved, and, the facts once established, then comes the more difficult question to decide, what is the true policy of the State? Whether the Fitchburg Railroad has lobbied or not; whether it has opposed the construction of the Massachusetts Central or not, are matters entirely foreign to the subject. Taking into consideration the fact that the roads west of Troy decline to assume any share of the tolls levied for use of the tunnel, and that upon these roads we must rely for the business we seek, is it wise to attempt to force upon the weaker portion of the system, that is least able to bear it, a tax that will, to say the least, discourage them from making any attempts to develop and increase the business. Will not the indirect advantages that the State will receive by the increased facilities of transportation, by cheap rates and a larger volume of business, more than compensate for the diminution of receipts through the abatement of tolls? The case can be put more forcibly, for upon the result of the present issue depends the continuance of the Hoosac Tunnel line itself.

I had not intended to say anything more upon this subject, at least until after the report of the committee who are now investigating it. But there are so many erroneous impressions, and such conflicting and incorrect statements have been made, that it seemed desirable to present some features of the case in a different light and to endeavor to make clear what others are attempting to shroud in mystery.

W. H. LINCOLN.

EVENING TRANSCRIPT

THURSDAY, MAY 22, 1879.

It is said that whatever may be the result of the falling out between the State and the Fitchburg Railroad Company, the business of the line will continue to be done, for whatever freight reaches the road from the West will be brought through. That is true, but fallacious. Business comes because it is sought after, because it is bargained for, and because through rates are made upon it. If the Fitchburg Company withdraws from the line it may, and probably will, charge for carriage more than its mileage share of the through rate. How much freight will be tendered to it at North Adams under that system others can estimate as well as we. [Advertiser.

Exactly. If the Fitchburg road can afford to come in and do its part of the business at through rates, it will get its share of the business. If it cannot afford to do its share of the business at through rates, *it ought not to have the business.* As the colored gentleman remarked to the lady with whom he boarded, "Ef you can't afford to give a man puddin' with his dinner for two dollars and a half a week, *you 'd oughter sell out to somebody that can.*"

Boston Journal.

WEDNESDAY MORNING, MAY 21.

THE CORRESPONDENCE UPON THE TOLL QUESTION.

The correspondence that has passed between the Fitchburg Railroad upon the one hand and the State officials upon the other, having been opened to our inspection, we have given it a careful and thorough examination. While the papers in question are numerous and many of them of great length, the main points of the controversy may be condensed into a small compass so far as the general public will care to follow it.

In December of last year the President of the Fitchburg Railroad applied for a reduction of tolls upon the plea that for the year ending September 30 that road had transported over the Troy and Greenfield Railroad 79,000 passengers and 443,701 tons of freight, and paid the State $151,922 for tolls, and that as the business was unprofitable the Directors of the road in their desire to reduce expenses so that the through business might pay its proportionate part of the expenses, desired a reduction of the tolls over the Troy and Greenfield Railroad.

January 1, Lieutenant Governor Knight notified President Stearns that the petitions would be handed over to the incoming administration for their consideration.

February 11, at a meeting of the Committee upon Railroads and Hoosac Tunnel of the Council, Mr. Stearns made an argument demanding the granting of the desired reduction.

After first claiming that the reduction should commence with the date of the petition as was usual in similar cases, Mr. Stearns gave a brief history of the operations and formation of the Hoosac Tunnel line.

A passage was first opened through the tunnel on the 27th of November, 1873. This was only large enough for a man to crawl through. The first train, a contractor's train, went through Feb. 9, 1875, but it was not until April 5 of the same year that the first regular freight train passed through.

After the trains were at work regularly it was supposed that all the difficulties were solved, and that business would flow through the tunnel in abundance. The fact of the situation as it was then was that the colored lines controlled all the business. Efforts were then made toward forming a similar line, the Hoosac Tunnel Line, but it was found that the Western roads, having their connections already formed, were adverse to coming into the new line, but at last, through the aid of the New York Central, a combination was formed, consisting of seven railroads and less than 600 cars, which commenced operations Oct. 1, 1875.

The line now embraces 23 railroads, extends all over the West, with agencies in all the large cities, and runs 5570 cars, as shown by the list submitted. While some of the roads have not filled up their quotas of cars, others have more than theirs so filled, the Fitchburg Road having 200 cars more than their share in the line, while the New York Central is short 450 cars.

Previous to July 1, 1877, the tolls were based upon a specific rate per ton, and were so high that upon application to the Governor and Council a reduction was granted. Since that time the tolls have been two-thirds of the gross earnings.

This toll of two-thirds of the earnings, it is now claimed by the Fitchburg management, was not to be taken out until car service and line expenses had been deducted from the gross earnings of the Troy and Greenfield Railroad, but when the accounts were submitted these deductions were objected to, and settlements made without including them. This resulted, claims Mr. Stearns, in an increase instead of a decrease of the tolls. Here follows an array of figures, [illegible] the additions that have been made to the construction account of the road, all for the purpose of developing business via the Tunnel, also statements showing the cost of operating the Troy and Greenfield Railroad.

Gross income from portion operated by the Fitchburg Railroad	$155,557 47
Operating expenses of State	65,303 95
Net earnings to State	$88,255 52

Upon the other hand Mr. Stearns claims that their loss in operating the Tunnel road was $58,081.

That their earnings between Greenfield and North Adams were $230,280, their operating expenses $127,212; the cost was 55 24-100 per cent. of gross earnings, for which they received only 33⅓ per cent.

Upon this basis the share of the State would have been as follows:

Upon portion operated by Fitchburg Railroad	$103,067
Cost of State's operating expense	65 303
Net profit to State	$37,764

This would give the State $37,763 instead of the profit of $88,250 they did receive, and the Fitchburg road would have lost no money in operating the Commonwealth's road.

In conclusion, Mr. Stearns claimed that his road was operating the tunnel for less than they could afford to, but that they were willing to operate it at cost, and would leave it to referees to decide what that cost is, and as the law regulating the tolls authorizes the Governor and Council to prescribe "just and reasonable tolls," and directs that "in fixing such tolls due regard shall be had to the commercial value of said railroad and tunnel and to the development of business as well as to the cost of the tunnel," the relief asked for may be granted.

Commissioner Adams of the Railroad Commission, who was present at the hearing, having been invited to express his views upon the subject, replied that he should desire to examine the statements presented by Mr. Stearns at length before giving any opinion upon the question.

It was therefore agreed that the papers should be laid before the Board of Railroad Commissioners for their consideration.

The next paper upon the question is one from the Accountant of the Board of Railroad Commissioners, bearing date March 3, and is evidently a report made to the Board after an examination of the question by the Accountant, Mr. Goodspeed. As we afterward find frequent reference to a letter from the Board to Lieut. Gov. Long, the Chairman of the Tunnel Committee, it is evident that the Board adopt the opinion of their Accountant in their report to the Council upon this question.

Mr. Goodspeed reports as follows:

During the year 1878 the Fitchburg road transported over the Troy and Greenfield road 443,701 tons of freight, receiving for it a gross sum of $155,247, of which two-thirds or $103,698 was paid out for tolls. For passenger traffic if received $74,733, of which $49,859 was paid to the State in tolls. This shows that the Fitchburg road received $24,847 for passengers and $51,659 for hauling freight over the Tunnel road.

There was used in doing this business 2575 passenger trains, or a mileage of 95,375 train miles; 4368 freight trains, with a mileage of 161,626 freight train miles, for which an average gross sum of 78.3 cents per train mile for passenger trains and 96.2 cents for freight train mileage. These are from facts submitted in Mr. Stearns's statement. Upon these facts, and certain computations taken as a basis, the Fitchburg Railroad claims to have lost $16,731 on the passenger traffic and $33,641 upon the freight traffic. The cost per train mile, as estimated by Mr. Stearns, was 43.6 cents for passenger trains and 52.9 cents for freight trains, which does not materially differ from the cost as shown in the annual report made to the Board by the Fitchburg Railroad.

These computations refer only to the business of the Troy and Greenfield Railroad. "And the question whether the business so over it is done at a loss is too clear for discussion. It is evidently done at a loss."

The average operating expenses of roads in Massachusetts is 70 per cent. It follows then that if a road agrees to pay 66⅔ per cent. of the gross receipts for the use of another road, considering that road by itself, there must be a loss, and the larger the business the greater the loss. No mileage computations are necessary to show this.

But at this point the report introduces another factor into the question. This is to prove that as the Tunnel traffic goes over the Fitchburg Road to Boston, that that road makes a large profit upon the traffic so carried, a profit upon the passenger business coming from or going to the Tunnel of $94,446, deducting the loss upon the Tunnel Road of $16,731. The claim is made that the profit upon the whole passenger business owing to the opening of the Tunnel was for 1878 $77,715. Upon the freight traffic, profit on 106 miles, Greenfield to Boston, $199,482, deducting loss on freight traffic on Tunnel road, left $165,841 as profit to Fitchburg Railroad. Besides this the report claims there should be added the traffic picked up at way stations on the main line, which should be clear profit.

From this profit upon the 106 miles between Greenfield and Boston should be deducted the extra wear and tear to the road bed from running the trains needed to do the business. This is estimated at six cents per train mile, the average of Massachusetts roads in 1878, or $43,157. This leaves $200,378, without the business picked up on the main line, as the profit of the Tunnel business. (Signed) J. H. GOODSPEED.

The above statement having been given to Mr. Stearns, he replies under date of March 24, that instead of the Tunnel business continuing on through to Boston that a large portion of it stops at Greenfield and other way stations; that the total gross receipts upon the Fitchburg road in 1878 of all passengers from all connecting roads were but $86,710, while the report of Goodspeed claimed $94,446 for net profit alone upon only a portion of their foreign passenger traffic. Also that the same cost is assumed for doing the business over the Fitchburg as over the Tunnel road where the State keeps it in order, &c.

A statement is also submitted from the auditor of the road showing that the total receipts from the Tunnel traffic in 1878 were as follows:

Total passenger earnings	$153,264
Earnings upon State's 37 miles	66,553
This leaves for earnings east of Greenfield	$86,710
Total freight earnings	$446,145
Earnings upon State's 37 miles	155,547
Earnings east of Greenfield	$290,598

This gave $377,309 as the total receipts from the Tunnel traffic from an actual examination of the books of the corporation.

The expenses are stated as follows: Loss on operating the Tunnel passenger business, $16,603; Tunnel road's proportion of cost of securing Western passenger traffic, $18,354; loss on freight traffic upon the Tunnel road, $32,246; paid other roads for car service, $40,958. The various items of the operating expense for handling the Tunnel business swell the cost to a sum that exceeds the receipts from the traffic by $134,366; or, in other words, the income derived from the Tunnel business between North Adams and Greenfield has not paid the operating expenses by the above sum of $134,366. Want of space will not allow of our introducing more than a brief mention of the further correspondence that has been passed upon this question.

Under date of April 11 the Board of Railroad Commissioners reply to Mr. Stearns, allowing that they made a serious error in their assumptions, but at the same time entering into a new computation showing that instead of losing $134,000 upon the Tunnel traffic that there is an indirect net profit of $102,815 upon the business; that, as in the case of a drug store, as additional business can be transacted without great additional cost, so in this case the traffic from the Tunnel can be carried over the Fitchburg Railroad at a small cost. All further communications are referred by the Board to Manager Gardner.

Under date of May 2, sent to the Governor May 6, Mr. Stearns submits a very lengthy communication covering the whole question. Meanwhile the Governor and Council had decided not to grant the desired reduction of tolls.

Nevertheless this communication was sent in as a reply to the communication from the Railroad Commissioners, and takes the position that as the through traffic is now becoming the main business of the road, it cannot be treated as additional business wholly, but that it must pay its share of the cost of the additional facilities furnished to carry it on, a feature of the case apparently lost sight of by the Commissioners.

From a careful perusal of the last paper submitted we cannot but arrive at the conclusion that this question has been much better handled upon the Fitchburg road's side of the question than by the Railroad Commissioners, who have not exhibited their usual ability in handling questions of this character.

Boston Journal.

WEDNESDAY MORNING, MAY 21.

Action of the Directors of the Fitchburg Railroad in Relation to the Hoosac Tunnel Line.

We cannot but regret that it has been found advisable by the Directors of the Fitchburg Railroad to send the notice given below to the score or more of railroads now forming the "through line" which has done so well toward developing the tunnel business, and from which there was every indication of a very large increase of traffic in the near future.

The effect of such an announcement cannot, we fear, spread broadcoast as it will be throughout the West, but have a disastrous effect in diminishing the revenues of the Commonwealth from its tunnel and connecting railroad, and whatever may be the outcome of the present toll dispute it cannot but in a greater or less degree retard the increasing commerce of the city of Boston.

There is also another consideration that will, it is to be feared, operate at this time. It has taken a long time and much exertion to awaken the present eastern connections of the tunnel to the necessity of providing for even the present traffic arriving here over its western connections. What we have to fear now is that the present opportunity will be taken advantage of by that road to neglect to furnish the accommodations we shall require here in the future even if the State officials hereafter see their way to reconsider their adverse action upon the toll question. The notice referred to was adopted by the directors of the Fitchburg Railroad at their meeting yesterday and reads as follows:

Whereas, It has been found impossible to carry merchandise and produce to and from the West through the Hoosac Tunnel and over the Troy and Greenfield Railroad at the present tolls without great loss to the Fitchburg Company, and the authorities having charge, under the State Government, of the tunnel and the Troy and Greenfield Railroad in view of the great expense already incurred by the State in order to put the Tunnel and Troy and Greenfield Railroad into proper working condition for the traffic to be carried over it, have declined to lessen these tolls;

Voted, That the President of this road is directed to give three months' notice in writing to the parties forming the "Hoosac Tunnel Line" of the desire of the Fitchburg Railroad Company to withdraw from the agreement made between it and them, and called the "Hoosac Tunnel contract," agreeably to the 18th article of said contract.

Voted, That this step is taken by us with great regret, and solely in view of the loss which it seems to us must result to the corporation if it continues to carry on this business.

Voted, That the President of this corporation is authorized to pay such tolls to the managers of the Troy and Greenfield Railroad as will enable the Fitchburg Railroad Company to carry merchandise and passengers through the Hoosac Tunnel and over the Troy and Greenfield Railroad without loss for such carriage, and that we are willing that he should submit the question, What tolls will accomplish this object? to three suitable disinterested persons.

While the above notice to the roads in the tunnel line is in conformity to the 18th section of the contract under which the line was formed, which requires a three months' notice in writing from a railroad intending to retire from the line, it does not necessarily break up the line if another road can be found to take the business from North Adams to Boston, and which will prove acceptable to the roads in the line west of North Adams.

But in this case we see no other prospect than that the Tunnel business will not amount to much, and that the bright visions we have been indulging in of Boston's becoming, or even maintaining her position, as one of the great seaport competitors for the business of the West, will all have been in vain.

And that the brilliant prospect that was dawning upon our people, that the Tunnel was to become an active factor in increasing the prosperity of the Commonwealth, is likely to be foiled, owing to the short-sighted policy of our officials who have it in charge.

The Controversy Concerning the Toll Question.

We do not see that there is any occasion for a great excitement in relation to the controversy as to the Tunnel toll question. The application of a little common sense should furnish a solution of the whole question. The Fitchburg Railroad has been operating the tunnel for the Commonwealth so far at a loss, as they claim. In a communication of the Railroad Commissioners' accountant, dated March 3, sent to the Governor and Council, and doubtless coincided in by the Railroad Commissioners, we find the following in reference to the alleged loss in operating the Troy and Greenfield Railroad: "The question whether the business is so done over it at a profit or loss to the Fitchburg Railroad is too clear for discussion. It is obviously done at a loss. If the Fitchburg Railroad agrees to pay 66⅔ per cent. of the gross receipts for the use of another road, so far as this business pertains to that other road, and is considered by itself, it cannot but be done at a loss, and the more business the greater the loss. No mileage computations are necessary to show this." So far as the Railroad Commissioners represent the Commonwealth's side of the controversy they seem to agree with the Fitchburg Railroad Company that there has been a loss in operating the Tunnel road. But the Commissioners assume that the Fitchburg road has made a large profit upon this through traffic in taking it from Greenfield to Boston, or vice versa; a profit of $295,000, to use the Commissioners' figures. But as the Auditor of the Fitchburg Railroad submits a carefully prepared exhibit showing that the total earnings from this traffic upon the 106 miles between Greenfield and Boston were only $377,309, and as the Commissioners themselves afterwards gracefully acknowledge an error of $281,558 in their account of gross earnings, we must believe that there was not much profit in handling the Tunnel business over the Fitchburg road. We cannot agree, though, with the Auditor in his statement that this traffic over the entire line between Boston and North Adams has not paid the operating expenses chargeable thereto by the sum of $134,000.

One of the most singular things connected with this question is why the Commissioners, claiming as they do that the Boston and Albany is in much better condition to handle through business than the Fitchburg, but can make only a very small profit, should expect the latter road to make a large profit. The demand having been made upon the managers of the Fitchburg Railroad to make additional improvements upon their line to accommodate not only the new Erie connection, but a largely increased traffic from their present connections, all of which will require a large addition to their construction account, they very naturally object to longer operating the tunnel at a loss, inasmuch as the future traffic must of necessity consist of the lowest rate paying kinds and be moved in one direction only. Under these circumstances we do not understand how any hard feelings can be engendered if the road declines to operate the tunnel at the old rates of two-thirds of the gross earnings. We understand that some time since the President of the Fitchburg Railroad informed Manager Gardner that, as his directors would undoubtedly refuse to operate the tunnel much longer if the tolls were not reduced, he had best endeavor to make arrangements with other parties to run it, and inform him so that there would be no occasion for a break in the line. From a recent conversation with Manager Gardner we are given to understand that offers from three parties have been made to him to keep up and carry the burden the Fitchburg road is anxious to be rid of, namely, the Connecticut River, Troy and Boston, and Boston, Hoosac Tunnel and Western Railroad. This should settle the question if the query did not arise, how is it with our connections east of the Connecticut? If the Boston and Albany could contrive to twist its unfortunate Ware River branch around from its general northeast direction into a southwest direction, so that it would point towards Greenfield instead of in the direction of Winchendon, then it would be available at once as a feeder from the Tunnel, but a line via Springfield of 136 miles from Greenfield to Boston does not carry out the plan, in view of which the money of the State was put into the Troy and Greenfield Railroad.

The Massachusetts Central's proposed connection is a question of time and millions of dollars, and is not at present available, whatever the future may promise in its behalf. The parties having been found thus to run the Tunnel road and the Fitchburg Railroad, the only eastern connection worth considering in the near future development of traffic through the Tunnel, it only remains for the management of that connection to have sufficient confidence in the parties who may run the Tunnel road, that they will operate the road under all circumstances, whatever the rate of freight, meet all demands of the Commonwealth as to tolls, etc., and will keep up their proportion of the cars in the through lines as well as the line expenses, doing this without seeking assistance from other roads east of the Tunnel. With this confidence assured, we have not the slightest doubt but that the management of the Fitchburg Road will proceed at once to make arrangements to accommodate all the business the Tunnel connections will bring to them. This will require double tracks, extensive sidings, increase of rolling stock and locomotives, to say nothing of increased terminal facilities at this end of the line.

If Manager Gardner can inspire the Fitchburg Railroad management—the parties who must furnish funds to develope the Tunnel traffic—with confidence that his would-be new tenants of the Tunnel are in earnest, we believe that the whole vexed toll question will be quickly settled. It has been intimated that both parties to this controversy are engaged in what is sometimes called "bluff," but from our observations upon the subject we think that both sides are convinced that the consequences of a wrong move at this time would be such that only the most honest motives, and an entire absence of all purely selfish interests, will have a moment's consideration in arriving at a solution of the problem. That it should be settled quickly is evident, if we take into consideration the fact that the new Erie connections, upon which a million and a half of Boston capital has been expended, is nearly finished, that several thousands of cars will go into that line as soon as completed. Then we hear that Vanderbilt, having heard of the situation through an unsuccessful application to him for aid, rescinded, just before sailing for Europe last Saturday, an order of 1000 cars that were intended to be added to the Michigan Southern's quota of the Tunnel line, and also orders for large additions of new cars to represent the Canada Southern and Michigan Central in the same line. The question may well be asked here who or what stands in the way of developments east of the Connecticut river?

The Tunnel Line.

A special meeting of the Boston Board of Trade was held at the Merchants' Exchange at three o'clock yesterday afternoon, to consider the matter of the Hoosac Tunnel management.

In the absence of the president Hon. Eustace C. Fitz occupied the chair.

Wm. H. Lincoln, of Thayer & Lincoln, was the first speaker. He said that the expectations of the Boston merchants in regard to the increased business of this port resulting from the tunnel had been more than fulfilled. The tunnel was never constructed to yield a revenue to the State. There could be no doubt but that the Fitchburg road had lost money in operating the tunnel. The Boston & Albany claimed a loss during the past year on its through business, and how could they expect the Fitchburg to operate the tunnel upon this through business otherwise than at a loss, when paying the State two-thirds of the gross receipts? The withdrawal of the Fitchburg road from the tunnel line meant the breaking up of the tunnel line. The cars would be sold and the advantages expected from the tunnel lost to Boston. The Fitchburg road had lost $52,000 on the tunnel the past year, besides the loss on its own line from the through business.

He did not think the road could afford to do more than operate the tunnel. He offered the following resolutions:

Whereas, The Fitchburg Railroad Company, in consequence of the heavy losses incurred in operating the Troy & Greenfield Railroad upon the terms prescribed by the governor and council, and of its inability to secure a reduction of tolls, after a full and complete presentation of the subject, has notified the managers of the Hoosac Tunnel line that in three months it will withdraw from said line; and

Whereas, This action on the part of the Fitchburg Railroad Company will completely disorganize the line, to the injury of the business interests of this city; it is hereby

Resolved, That the Boston Board of Trade consider the present situation as serious, endangering alike the interests of the State and this city, and that it calls for united action on the part of the merchants of Boston.

Resolved, That we deprecate the unfortunate controversy that has arisen between the State authorities and the president of the Fitchburg Railroad, in relation to the plan of operating the Troy & Greenfield Railroad, and that we declare our earnest wishes that the differences existing may be speedily adjusted.

Resolved, That this board regard the proposition of the Fitchburg Railroad Company to operate at cost the Troy & Greenfield Railroad, leaving the decision as to the actual cost to three disinterested parties, as sufficient evidence that the Fitchburg Railroad Company desire to meet the emergency in a fair and honorable manner, and to continue the conduct of the business.

Resolved, That the Hoosac Tunnel Line has contributed largely to the business and commerce of this port, and that its continuance is demanded by the merchants of this city.

Resolved, that, in order to obtain more definite and reliable information, so that, in case further action may be necessary, the Board may be enabled to take more decisive measures, a committee of five persons be appointed, whose duty shall be to request of the president of the Fitchburg Railroad the papers in his possession relating to the said controversy; and to obtain such information from other sources as may appear desirable; and to submit a report to this board at as early a date as practicable; said committee to consist of A. A. Gaddis, John W. Candler, Charles B. Crockett, John H. Foster and Cyrus Dupee.

John W. Candler said this matter had been suddenly brought to the attention of the public. He agreed in principle with Mr. Lincoln that it was a serious matter. But there were two sides to the case, the governor and council, the railroad commissioners and the manager of the State road were upon one side, and the Fitchburg road upon the other. There were three months yet before the Hoosac line would be broken up. He favored resolutions expressive of the importance of the matter, and appointing a committee of inquiry, but further than that the board ought not to concern itself. Perhaps freight rates were too low at present for any money to be made on through freights; no sudden action should be taken. It looked ridiculous for the Fitchburg Railroad to stand in this position considering that that road had been supposed to control the tunnel legislation of Massachusetts for the past dozen years.

Mr. Lincoln said there was no contract between the State and road. He did not think the resolutions partisan, but immediate action should be taken, or perhaps in a day the Tunnel line would be broken.

Hon. Joseph S. Ropes reviewed the legislation affecting the tunnel and the road, and agreed substantially with Mr. Candler—that in the present contest the Fitchburg road was loaded with an unfavorable past history in regard to Massachusetts tunnel legislation and the railroad commissioners' decisions against them in this matter.

Mr. Candler again spoke in opposition to hasty action, declaring that the people gave enough to the railroads to entitle them to have sufficient notice of any change of so much importance as this.

Hon. A. W. Beard said that the adoption of even the preamble as it stood committed the board to the opinion that the Fitchburg Railroad was in the right, and, moreover, that it had complete

[illegible] street, early next week.

In response to this invitation, Mr. Cobb has arranged to place the picture on free exhibition at the gallery of L. A. Elliott & Co., 594 Washington

THE HOOSAC TUNNEL LINE.

May 23, 1879.

The Recent Action of the Fitchburg Railroad Company.

Shall the Troy & Greenfield Road be Operated?

The Relation of Some Lines to Others.

During the past week the Fitchburg Railroad Company has given formal notice to "the parties forming the 'Hoosac Tunnel' Line" of its desire to withdraw from the agreement made between it and them, and it is under-

[illegible] accomplished, and tonight we honor to

[illegible] written and by what those writings have more than redeemed by what he has Whatever his foibles may have been, they are [illegible] his solemn master the Saxon tyrant der oriental imagery." The Gaber is a Celt "Lalla Rookh," that 'tis "an Irish allegory," un dark days of '98. 'Tis truly said of his ble scenes of which he was an eye-witness in her down-trodden condition, and the terrible intensity from the love of his land and And thus all he wrote gathered it and 'tis displayed in all his prose and poetry write the life of Lord Edward Fitzgerald soul of his Cape Rock, it prompted him to and "breathing the odor of the East." 'Tis the beautiful in its poetic imagery and drapery melodies. It lives in his "Lalla Rookh," sical. That spirit runs through his immortion of tyranny, whether religious or political; the glorification of liberty and denunciation and love of virtuous indignation at the tyrant, whether Saxon or Moslem, are living still, and shall speak to unborn generations. When the man's fame shall be forgotten, the poet-priest shall be remembered, and shall continue to preach patriotism, love and toleration, through his poems and his prose. In all his writings Moore seems to have one end, aim and object,

THE FITCHBURG RAILROAD AND THE STATE AUTHORITIES.

1879

The controversy between the state authorities and the Fitchburg Railroad Company originated in an application to the governor and council for a modification of the temporary agreement under which the Troy and Greenfield Railroad—owned by the State—had been operated by the Fitchburg Company for the fiscal year ending September 30, 1878, at an alleged expense of $125,572, while the compensation therefor amounted to only $76,723, leaving a loss to that company of $48,849.

The matter was referred by the governor and council to the board of railroad commissioners, who reported, substantially, that while the Fitchburg Company evidently incurred a loss—how large they do not say—in operating the Troy and Greenfield road, such loss was more than offset by a profit of $102,815 which they estimate as made by the Fitchburg Company upon its own road from the traffic in connection with the Troy and Greenfield road.

The commissioners, however, in a communication subsequently made to President Stearns, use the following language: "Neither on a careful "examination of your communications are the "commissioners yet satisfied that you are able to "show from your accounts—apart from any hy-"pothetical estimates—that the Fitchburg Rail-"road in 1877-8 even sustained a direct loss in "operating the Troy and Greenfield road, leaving "the question of indirect advantages out of the "question."

Replying to the assertion that the Fitchburg Company made upon its own road a profit of $102,815 from the traffic in connection with the Troy and Greenfield road, President Stearns says that his road made no profit on such traffic; but, on the contrary, incurred a loss of $85,517, which sum, added to the direct loss of $48,849, made a total loss of $134,366 to the Fitchburg Company, arising from its business relations with the Troy and Greenfield road for the period named. The governor and council finally refused to modify the agreement.

Now, this theory of the railroad commissioners that the direct loss in operating the Troy and Greenfield road was fairly offset by the profit—if there was any—accruing to the Fitchburg Company upon its own road from the joint traffic, is in conflict with the principle enunciated in their statement of the grounds upon which their award was made in the case of the Nashua and Lowell Company *vs.* Boston and Lowell Company, see page 407 report for 1878, where the Nashua and Lowell Company claimed more than its pro rata proportion of the earnings from joint traffic with the Boston and Lowell Company, upon the ground that it collected and distributed such traffic from and to scattered points, while the latter company received and delivered the same in concentrated form and at small expense. The commissioners said, in substance, that such collection and distribution was the disadvantage under which the Nashua and Lowell road labored, while such receipt and delivery in concentrated form was the advantage which the Boston and Lowell road possessed, and that neither the disadvantages of the respective roads could be considered as an element in determining the proportion of earnings from joint traffic to which each was entitled.

The accident to state ownership in no way changes the relations of the Troy and Greenfield to the Fitchburg road. Such relations are simply those of connecting railroads having equal rights under the law, and their profitableness or unprofitableness to the Fitchburg Company has no bearing upon the question of the obligations of that company to provide equipment and operate the Troy and Greenfield road at less than the cost of performing such service, nor is there any foundation for the claim that the Fitchburg Company is under moral obligation to the state by reason of former contracts or agreements now abrogated. That company has no special privileges in connection with the State's road. The legislature has just granted a special charter, authorizing the Massachusetts Central to connect with the Troy and Greenfield at one end and the Boston and Lowell at the other, thereby creating—if it is built—a new route to compete with the Fitchburg, while under the general law connections may be made with the Southbridge branch of the New York and New England at Southbridge, or with the main line of the Boston and Albany at Palmer, and all would have equal rights with the Fitchburg road.

In reference to the loss alleged by the Fitchburg Company to have been incurred in operating the Troy and Greenfield road, the language of the report of the railroad commissioners to the governor and council through their accountant, Mr. Goodspeed, is somewhat ambiguous and irrelevant. They say: "And the question whether the "business over it is done at a loss is too clear for "discussion. It is evidently done at a loss. The "average operating expenses of roads in Massa-"chusetts is seventy per cent. It follows, then, "that if a road agrees to pay 66⅔ of the gross re-"ceipts for the use of another road, considering "that road by itself, there must be a loss, and the "larger the business the greater the loss. No "mileage computations are necessary to show "this."

Now, such a result by no means follows. The seventy per cent alluded to covers all operating expenses, while the 66⅔ per cent in the case under consideration covers only a portion thereof. Such a comparison cannot be made. It is wholly irrelevant. As a matter of fact, the returns to the railroad commissioners for the fiscal year ending September 30, 1878, show that an arrangement the same as that between the Fitchburg and Troy and Greenfield on the 66⅔ per cent basis, if made with fourteen of the principal railroads in Massachusetts, would have resulted in a profit to the lessees on ten of them, varying from $1787 on the Boston, Clinton and Fitchburg to $417,416 on the New York, New England and Hartford, while on four of them the lessees would have incurred a loss varying from $21,017 on the Boston and Albany to $63,056 on the Cheshire.

The Fitchburg company furnished and maintained the engines, passenger cars and freight cars, furnished the fuel, oil and waste, paid car mileage to connecting roads, paid the wages of engineers, firemen, conductors and brakemen, and all expenses incidental to the running of passenger and freight trains, and as compensation therefor received 33⅓ per cent of the gross earnings, or $76,723, the passenger-train mileage being 95,375 miles, and the freight-train mileage 161,626 miles. It is claimed by the Fitchburg company that the expense incurred amounted to $125,572.

Referring again to the returns to the railroad commissioners for the fiscal year ending September 30, 1878, it appears that the cost of similar service for an equal amount of train mileage on the fourteen railroads alluded to above—the Boston and Lowell being omitted because the mileage of switching and other charges is not stated separately from the passenger and freight train mileage—would have been as follows; each sum including $9000 as interest on the estimated value of equipment used:—

Worcester and Nashua	$111,973
Norwich and Worcester	116,690
Boston and Albany	116,805
Fitchburg	119,416
Old Colony	119,818
New York and New England	121,276
Connecticut River	123,923
Cheshire	126,778
Boston and Maine	127,105
Eastern	127,700
New York, New Haven and Hartford	144,440
Providence and Worcester	144,806
Boston, Clinton and Fitchburg	148,526
Boston and Providence	152,055

It is, therefore, perfectly clear, that the $76,723 received by the Fitchburg Company was inadequate compensation for the service performed, and that the offer of that company to continue performance of such service at cost, to be determined by three disinterested persons, was fair and equitable.

The refusal of the state authorities to modify the existing agreement, or accept the proposition to operate the Troy and Greenfield road at cost to be ascertained by referees, appears from the language of the preamble to have been the cause of the passage of the vote of the directors of the Fitchburg Company directing the president to give three months' notice in writing of their desire to withdraw from the "Hoosac tunnel con-"tract," and this action of the Fitchburg directors has been followed by the appointment of a committee of the board of trade to confer with the Fitchburg Company and state authorities with a view to preventing, if possible, the disruption of the tunnel line.

The question for the consideration of the committee—whether the Fitchburg Company realized upon its own road a profit of $102,815 as the railroad commissioners assert, or whether it incurred a loss of $85,517 as President Stearns claims—is of vastly greater importance to the public than the question of compensation for operating the Troy and Greenfield road, but no information in regard thereto is accessible to the public, other than such as is to be found in the report of a lengthy interview between a reporter of the Traveller and Mr. George E. Towne, in which that gentleman, after criticising severely the statements and figures of the Fitchburg road, to which the state authorities or the committee of the board of trade had given him access, says: "There is a wide di-"vergence, amounting to upwards of $200,000, be-"tween the results attained by Mr. Stearns and by "me. It is clear not only that we cannot both be "right, but that one of us must be far out of the "way. Both statements are now before the public, "and judgment may be rendered."

Now, I respectfully submit that only Mr. Towne's criticisms are before the public. The statements and figures criticised are not before the public, and, until they are, judgment cannot be rendered.

CHARLES BARRETT.

Somerville, Mass., June 2, 1879.

BOSTON POST.

TUESDAY MORNING, JUNE 10, 1879.

The Tunnel Line.

The fact that the Executive Council have made a proposition to the Fitchburg Railroad for the adjustment of the differences between the State and the corporation is of itself a favorable sign. It shows that those in authority are aware of the danger that threatens the line and that some effort should be made in the public interest to avert the danger. But whether the proposition is one that the Fitchburg Railroad Company will be likely to accept without modification may be open to doubt. No objection can be made to an impartial arbitration, but the mode of appointing the arbitrators, namely, one by the Governor and Council, one by the company, and the third by the two thus selected, might result in getting a board composed of two partisans and only one disinterested arbitrator. It would seem desirable that an attempt should be made to agree upon three disinterested referees, or to have such appointed by some proper tribunal. In the second place the matter to be submitted to arbitration does not embrace the whole ground of complaint of the Fitchburg Railroad. The arbitrators are to "consider, and by a majority thereof determine, whether in fairness and justice any allowance in reduction or rebate of the present rates of toll shall be made from and after July 1, 1879, and, if so, what reduction shall be made." The application of the Fitchburg Railroad for the reduction of tolls was made last December, and has been a subject of discussion ever since. The proposition of the Governor and Council involves the retaining by the State of full tolls from January 1 to July 1, and offers no relief to the road for its losses during that time. How long the reduction or rebate is to continue is not stated, nor is it very clear in what manner or to what extent, if at all, the Governor and Council are to be bound by the arbitration. Under the law authorizing the Governor and Council to fix the rates of tolls, the power is "to prescribe just and reasonable tolls, not to be raised for one year after they are determined," but by the provision of a subsequent statute the words "not to be raised for one year, etc.," do not prevent the Governor and Council from reducing the rates of tolls "temporarily, by means of rebates, and again restoring them to the amount fixed for such year." So far as legal authority is required, the tolls might be rebated and restored in the same week. The phraseology of the order would indicate that the drawer of it had the language of the law in mind. No great inducement to enter into a contract or an arbitration is held out when the party making the proposition so shapes it as to assure the party receiving it that the former has the right to revoke at any time.

A more serious difficulty suggests itself in the proviso, which reads: "That in no case shall such reduction from present rates be so great as to bring the amount of toll paid to the Commonwealth below the sum which the Commonwealth shall have to pay for salaries and other expenses of operating and maintaining said railroad and Tunnel." The offer of the Fitchburg to the State was to run the road at cost, letting the State have the profits, if any. The response of the State authorities is in substance, "You must pay your own expenses and ours too, whether you earn anything to pay with or not." This, as we remarked in the Post of Monday, is decidedly suggestive of the jug-handle. Probably, however, the Council did not mean to make quite so one-sided a proposition as this appears to be. If the earnings and expenses of the Troy and Greenfield road continue in substantially the same ratio as during the last year, there would in all probability be no occasion to reduce the tolls below the sum which the Commonwealth will have to pay for the expenses ordinarily borne by it. On the other hand, however, some limit should be placed on these expenses, either by distinctly defining what is included in the terms "expenses of operating and maintaining" or by fixing a sum beyond which the railroad should not be compelled to pay, or by referring to the expenses of the past year. It would be very difficult for a board of arbitrators to determine in advance what sum the Commonwealth shall have to pay "for salaries and other expenses of operating and maintaining," and arrange the tolls so as to provide for the payment of that unascertainable sum. The expense of maintaining a road like the Troy and Greenfield varies greatly from year to year. The word maintain would not be intended to include the laying of new tracks, but it might and probably would include all repairs, whether ordinary or extraordinary, as in case of a freshet. Perhaps it might include any arching or other work necessary to provide for safety in the Tunnel. Again, the expenses referred to would be greater or less according to the economy or extravagance practised by the manager.

We repeat, we are glad to see an opening through which we may escape the danger of a breaking up of the Tunnel line. We have hitherto refrained from taking sides in the controversy between the Executive and the Fitchburg Railroad, and have no intention of doing so now. But it is plain to any one that the railroad cannot, nor ought the State to ask it to, take upon itself a burden of so uncertain a weight, that for all that appears it may be more onerous than that from which it now seeks to escape. Let there be an adjustment by all means. But let it be one the terms of which are fully understood and just to both sides.

Boston Journal.

TUESDAY MORNING, JUNE 10, 1879.

The Tunnel Arbitration.

While the action taken by the State authorities last Saturday in relation to referring to arbitrators the vexed toll question is in the main correct, we cannot but regret that it was thought advisable to adopt the last section of the order, which reads as follows: "Provided, however, that in no case shall such reductions from present rates be so great as to bring the amount of toll paid to the Commonwealth below the sum which the Commonwealth shall have to pay for salaries and other expenses of operating and maintaining said railroad and tunnel." This proviso will, we fear, aggravate rather than help along the desired settlement of the controversy, as we understand Governor Talbot to express his firm determination to close up the Tunnel in preference to taking a single dollar from the Treasury for the operation of the Troy and Greenfield Railroad or toward its construction account. If the Troy and Greenfield Railroad was a completed road, and its business already established, then if it does not pay expenses it will be time to take into consideration the advisability of adopting measures to close it up or give it away. But in its present undeveloped condition the adoption of any measures that will in any way retard the expansion of traffic through the Tunnel will not be any more acceptable to the people of this Commonwealth than if its Chief Magistrate were to order the Eastern portal of the Tunnel to be bricked up at the moment the first passage through the great bore was accomplished. We are constantly demanding of the Fitchburg Railroad that they double track their line through to Greenfield, increase their equipment and furnish expensive terminal accommodations here in Boston. The last session of the Legislature infused new life into the Massachusetts Central Railroad, with the expectation that it would connect with the Tunnel and aid in its development. Another corporation, with some of the wealthy men of Worcester county at its head, has been for some time f rmed, with the object in view of connecting b th the New York and New England from Southbridge, and the Boston and Albany from one of the Brookfields, with the State's Railroad.

We shall not think the Troy and Boston Railroad an adequate connection between the four tracks of the New York Central and the tunnel until it has at least doubled its track. Then we have the Boston, Hoosac Tunnel and Western Railroad nearly ready to connect us with the Erie Railroad, and the Erie Canal as well, to say nothing of its prospect of being extended to Lake Ontario and the West, independent of present connections. All of these interests the Commonwealth has clearly invited to assist in developing traffic through the Hoosac Tunnel. But are they justified in taking a single step forward, when as at present they are notified that under no circumstances will the Commonwealth keep its road opened, provided the tolls are not sufficient to pay the expenses of so doing? It is to be hoped that the tolls contributed by the Fitchburg Railroad for the past six months have been sufficient to construct a new bridge at Deweyville, or else the Commonwealth will have to inform the Boston, Hoosac Tunnel and Western Railroad that they must dispose of their heavy consolidation engines for lighter ones, as the State, after having expended eighteen millions upon the Troy and Greenfield Railroad, does not propose to put its road into a condition to accommodate the improved machinery that the present condition of the transportation movement demands.

When the bill appropriating money for the new bridge referred to above, laying a double track from the Vermont line to North Adams, &c., was before the Legislature, the managers of the Boston, Hoosac Tunnel and Western Railroad offered to do the work described above, furnish the funds themselves and take their pay in tolls. We expressed the opinion then that the Commonwealth of Massachusetts was not so much impoverished but what she could complete the Tunnel road without aid from a New York corporation, as this railroad was. We are of this opinion still, and are confident that it is the desire of the people of this Commonwealth that the Troy and Greenfield Railroad should be put into a condition to sustain the object for which it was commenced, and has so far been prosecuted, and that it shall become a strong link, and not a weak one, in the line from Boston to the fertile regions of the Western and Southern States.

We should consider the Fitchburg Railroad a weak dependence for the Western roads to lean upon if in their desire to reach Boston that road should inform them that it would close its connection with them in case there were periods of three or four months when the business did not pay, or if, when asked to increase their accommodations, they should refuse so to do, unless the profits from the business were sufficient to pay for such improvements as were required. Is it advisable, then, to place the Commonwealth's part of the through line in a position that would be thought censurable in other links of that line?

We have but little fear but that the tolls will be sufficient to pay all the expenses that will become due the Fitchburg Railroad for its outlay in operating the State road, but at the same time it is difficult to gauge the fighting qualities of the Western roads, who alone make the rates that govern the through business, and it is impossible to forecast the future. For this reason, if the opinions now held by Gov. Talbot are to become those under which the Troy and Greenfield road is to be managed, we fail to discover any encouragement for connecting roads to make further improvements, and are led to believe that they will not make them.

Manager Gardner has been informed by the authorities of the New York Central road that their contribution of loaded cars to the tunnel last year was more than 25,000, and that this year it will be doubled if the line is not broken up. Then the new Erie connection promises 200 cars per diem in addition. This will give a traffic through the tunnel about equal to the average daily number of cars brought East from Albany last year by the Boston and Albany Railroad. With this brilliant prospect for a greatly increased traffic, we do not see how the management of the State link in that traffic can conceive that the people of this Commonwealth will justify any weakness upon their part that will in the least retard this increase of traffic. We do not hear that the State of New York proposes to close up the Erie Canal because rates of freight are low; she even contemplates taking off the tolls entirely, and taking a million dollars out of her treasury annually to support them. The same may be said of the Dominion government in relation to her canal system.

We stated some time since that in our opinion the Railroad Commissioners had not handled this question with their accustomed ability, and afterward unearthed an old opinion of theirs, which concedes every point desired by the Fitchburg Railroad. This opinion, we now understand, Mr. C. F. Adams, Jr., Chairman of the Railroad Commissioners, to still express his views upon the toll question, and it is one that should be a basis for the present arbitration between the State and the connecting roads. Another accountant has been brought to the surface in this controversy as having been an adviser of the Governor and Council, in addition to the Railroad Commissioners and Manager Gardner. This accountant, it would appear, is unfortunately a graduate from the bankrupt Boston, Clinton and Fitchburg Railroad. If this gentleman had had any experience upon first-class railroads, or, for instance, before expressing an opinion upon this question he had paid a visit to the round house of the Boston and Albany Railroad in this city, and examined the monthly sheets of the expenses of running the heavy trains upon that road, there exposed, so far as relates to locomotives, he would not have taken the position he has, that it does not cost more per train mile to run the heavy tunnel trains, freight and express, than the average of trains upon the Fitchburg Railroad, in contradistinction to Mr. Stearns's claim that it does cost more to run these trains, and the vast array of statistics given to the public through the columns of the *Traveller* would in all probability never have seen the light of day.

We deprecate as much as any one that there should be any necessity for taking a single dollar from the treasury for the tunnel. But we believe in stating in no uncertain tones to the western railroads that the Commonwealth of Massachusetts will under any and all circumstances keep her link in the shortest and best route to and from the West up to and upon an equality with other parts of the line. We do not believe in giving them a notice to the effect that if our earnings fall off, an accident occur that will absorb a larger amount than the tolls, a landslide take place or a portion of the tunnel fall in, that then the portals of the tunnel will be placarded with notices that it was closed for want of tolls.

HOOSAC TUNNEL CONTINUED.

The Fallacy of Mr. Towne's Statement Exposed—Another Letter from Mr. W. H. Lincoln.

To the Editors of the Boston Daily Advertiser:—

Inasmuch as the Traveller has published a detailed statement made by Mr. George E. Towne, an accountant, sustaining the opinions of the governor and council, and has politely called upon me in an editorial to explain the disparity between the results thus obtained and those as given by me, I have felt bound to comply with the request. The accountant employed by the state officials to investigate the accounts with a view to produce a result that will appear to sustain their action has completed his labors, and rather unwillingly consented to present them to the public. Whether this reluctance proceeded from a fear of interrupting, by the startling revelations made in the report, the negotiations now in progress, or from a doubt in regard to the stability of the fabric he had reared, we are not informed. If no more difficult task is ever assigned me than that of disproving the statements, and showing the fallacy of the argument presented, the way of life will be comparatively smooth. It is a common remark that "figures won't lie," but nothing can be more untrue or deceptive than a result accomplished by a skilful management of figures upon a false assumption. If the formula is incorrect, all the results derived from it will also be false. I take issue not only with the facts upon which the results are predicated, but with all the various applications that are made in consequence of the manufactured results. They certainly do not exist in fact, however plausible to some may appear the theory. The main point of difference, and upon which the question turns, is the proper division of expenses as applicable to what is termed "new business."

When a railroad has for many years been preparing to conduct a new business upon a large scale, has constructed thirty miles of additional road, built large depots, leased and equipped another railroad, besides quadrupling its own equipment, rented a wharf and expended large sums of money upon it, surely it is rather a startling proposition to say at the outset, not only must all this money be considered as sunk, wiped out of existence, but the daily expenses in connection with these improvements and additions must also be obliterated from the account. And why? Because, forsooth, the money has been spent, you have got the leased road, depots, wharves, rolling stock and all the equipment on your hands, and if you don't go ahead and continue this business you will be in a worse predicament. This affords certainly great encouragement to a road to continue to develop a business that will require the expenditure of millions more to meet the public demand. And yet this is precisely the argument employed, and upon which the governor based his decision. There are few stockholders that would desire to inaugurate a *new business* for their road upon such conditions. It is a singular proposal to consider a business for which such special preparations have been made, and which has become the controlling business of the road as holding such relations to the entire business that a large proportion of the expenses must be assigned specially to the old business, increasing its cost beyond a reasonable amount, and reducing the cost of the new business to a sum far below the average cost of all the railways in the State. Not only is such reasoning unsound, but it is unjust. I will first consider a few points introduced in the alleged or supposed conversation between the reporter and the accountant.

It is stated that the commissions, advertising and car service belonging to the tunnel business and to no other business) should not be included as an expense of the business, and because the commissioners require that in making up the entire results of the business of the road only the *balances* shall be stated. Of course this does not alter the result in making up the entire business, but it will be readily conceded that in making up an actual cost of doing a special business all the expenses incurred on account of that business must be included, and *balances* on general business have nothing whatever to do with it. The result of this manifest error will appear shortly.

An imposing array of figures is also presented to show that a serious blunder has been made in the Fitchburg Railroad accounts, because the expenses charged to the Troy and Greenfield business east of Greenfield are greater than the average. A little reflection would have shown him that if a part of the expenses of a portion of the business is deducted, it necessarily adds in same proportion to the cost of the balance. The truth is, that the cost of conducting the Tunnel line business is greater on account of the large amount of car service, sums paid for commissions and line expenses. The plan pursued by the Fitchburg Railroad in making up the account has been to charge the average cost according to the miles run upon such items as cannot be kept separate, and upon such expenses as can be accurately defined to charge the actual sum paid upon the business. In this way the results as stated have been obtained, and it is believed they are substantially correct. It is hardly necessary to follow Mr. Towne through all his eliminations and meanderings, because the result obtained, if admitted, has nothing to do with the question. The profit made by the Fitchburg Railroad upon its local business is entirely foreign to the subject. It may be well, however, to state, as an illustration of the correctness of the result presented by Mr. Towne, that he puts the net income of the road during the year, leaving out of the account entirely the tunnel business, as $481,978, and goes on to show that this exceeds any previous income by the sum of $120,425, "*provided* Mr. Stearns's figures are correct."

The effect of this reasoning is to prove that, as the income from the local business could not have exceeded that of previous years such an amount, therefore the figures presented by Mr. Stearns are incorrect, and a portion of the expense charged for conducting the tunnel business should be transferred to the local. But the snug little sum of $93,854 paid out for interest is entirely left out. So that the result is greatly changed, and only serves to *corroborate* instead of disproving the figures presented by Mr. Stearns. This would leave a dividend of about eight per cent on the capital stock, and this was paid yearly for a number of years to the stockholders prior to the opening of the tunnel. But the most important part of the statement published in the Traveller is found in table marked C, the result of which proves that the net income to the Fitchburg Railroad on account of the tunnel business is $68,018; and as it that did not seem large enough, considering the mileage was nearly one-half the entire mileage of the road, he roughly estimates the profit as $100 000, which is about 50 per cent more than he is able to show by an adroit manipulation of figures. We will commence, then, with the table C.

In Group 1 are *added together* repairs of freight cars, $64,351, and *balance* of mileage of freight cars, $16,684, and it is represented as one item,—$81,035,—called "repairs and mileage of freight cars. This item, *balance of mileage*, shows the *difference* between the receipts and expenditures for car service on the Fitchburg and connecting roads, and does *not* show the amount paid for car service for the tunnel business, which was $91,696 actually paid other companies on this account. The amount charged the tunnel business is only $8789, and is therefore $52,957 too small. This alone will absorb nearly the whole amount of profit claimed. As it is money actually paid out, the correctness of the position can hardly be disputed.

In Group 2, Mr. Towne takes five items of expenditure for the year 1875. The last two, viz., expenses passenger and freight stations, are not correct, and are mere assumptions, as no such sums are given in the commissioners' report, or in the books of the railroad company. These two items amount to $128,093. It is claimed that the difference between these and the same items of expenditure for 1878 shows the cost of the tunnel business for these particular items in 1878. That this method is grossly erroneous can be shown thus:—

First. The Fitchburg Railroad in the year 1875 ran 58,654 train-miles upon the 37 miles of Troy and Greenfield Railroad. Assuming that these trains ran only once and a half this distance, or 57,981 miles over the 106 miles of the Fitchburg Railroad, it would make nearly 100,000 train-miles for the year 1875, on the tunnel business. No allowance whatever for the cost of this service has been made in these items, and the thought of making any allowance was dismissed with the statement that the tunnel trains were not running to *any extent*.

Second. No account is made whatever of the large decrease in the expenses of operating the road from 1875 to 1878; but the difference of expenses between these years is assumed as the *cost* of the tunnel business. It will be seen at a glance that a fatal error is here committed, for whatever proportion of decrease in expenses between the years 1875 and 1878, in consequence of lower wages, reduction in prices of materials, etc., should be added to cost of tunnel business. The total cost per mile run in 1875 for passenger and freight trains was $1 37, and the same in 1878 was 90.6 cents, or a decrease of 33.8 per cent. This percentage of decrease should have been deducted from the expenditures of 1875 in estimating the cost of the business of 1878, and clearly shows that Mr. Towne has charged the regular business with $72,814, which properly belongs to the tunnel business expenditures. I do not assume that this would produce a correct result, for in fact it would not, but the result is deduced from the false method of reasoning, and is exactly the conclusion that would be reached in following the same line of argument. It is a correct answer to the proposition, and is the legitimate result of a false method of reasoning.

We now come to Group 3, and we find even more glaring errors than in the preceding ones, and the position taken is still more untenable. In this group is presented the cost of several items amounting to $298,665, and *no portion* of these expenses is charged to the tunnel business. It is taken as granted that all these expenses in precisely the same amounts would have been incurred had there been no tunnel business. The first item, $91,916, is for taxes. The Vermont and Massachusetts Railroad was leased *exclusively* for this business, and taxes are paid upon its capital to the amount of $32,355, a large proportion of which should be charged to the tunnel business. I respectfully submit if it is fair or reasonable to say that the taxes upon it would have been paid if there had been no tunnel business, when the liability was certainly incurred especially to meet this business. It cannot be properly charged to any other business. The Fitchburg Railroad has expended large sums for equipment and improvements for the tunnel business, a part of which has been capitalized and upon which taxes are paid. Taxes are also paid upon the wharves and premises used for export business. And yet out of the sum of $91,916 paid for taxes, not one cent is allowed for the tunnel business.

The next considerable item is for repairs of road, $77,459. The entire expenditure on this account is $119,485, and consists principally of expenses for labor in laying rails and ties, and in tamping and keeping the track in good surface. Another and much smaller portion is for the use of gravel trains used in the repair of the roadbed. Nevertheless, the tunnel business is only charged with its proportion of $42,026 of this item, leaving $77,459 entirely out of the account. With equal propriety the whole might have been omitted, for the necessity of repairs upon the road arises chiefly from the fact that loaded trains are passing over it. It is grossly unfair to charge to the tunnel business but $13,439 out of the total outlay of $119,485, when the total mileage of this business upon the Fitchburg Railroad is nearly one-half of the total mileage of the other business. Results obtained from such a process of figuring will not commend themselves to the public.

The next item is repairs of buildings $54,687, and as many of the large freight stations were built almost exclusively for the tunnel business, it should bear its full proportion of the cost of repairs thereof.

The other items in Group 3 may be treated in the same manner, except the two small items for repairs of fences and removal of ice and snow, which would not probably be increased by additional business; still there is no reason why one portion of the business should be selected to bear it in preference to another. It should be borne in proportion to the business done. As the entire miles run for the tunnel business over the Fitchburg Railroad are about 33 per cent of the entire mileage over that road, it certainly is not enough to charge as the proportion due to tunnel business 25 per cent of the items in Group 3, but we will assent to it for the purpose of illustration. Reviewing some of the errors that have been exposed in table C, we find they amount to a large sum, and quite overthrow the results obtained.

They are as follows:—

Error in car service	$52,957
Errors in expenditures of 1875	72,814
25 per cent of expenses in group 3, not allowed, but should be	74,666
Total	$200,437

I have not considered at all in the final reckoning the 100,000 miles run in 1875 on account of tunnel business. The final advice given by Mr. Towne to the State is that the terms proposed by the Fitchburg Railroad be accepted. It is not apparent why all the statement should have been published, unless it was intended to put the Fitchburg Railroad in the position of demanding unjust terms, and under false representations accepting the bounty of the State. As I understand it, this railway company will accept no gratuity, and they repel the assertion that if the governor and council accede to the demands it will not be on account of any just claims for such concession.

If the State persists in its exactions, the tunnel line will certainly be disorganized. There is no doubt about that. The views expressed by the railroad commissioners in 1875 are applicable at this time, and their soundness cannot be questioned. They state that the Troy and Greenfield Railroad should be treated the same as any other piece of road in the line, and that is all that is now claimed. They say, further, that the tunnel itself should not be so considered. Having cost the State an immense sum of money, whatever benefit accrues in consequence of the saving in distance as compared with the Boston and Albany route, being seven miles shorter, should belong to the State. Certainly the roads west of the tunnel are not entitled to any benefit in the way of a larger proportion of the earnings in consequence of this expenditure by the State. The Fitchburg Railroad has always stood ready to contribute its proportion to the seven miles constructive mileage that belongs to the State, but the New York Central and its connections have persistently refused to grant it. The business of the tunnel line was actually stopped for six weeks on this account, and the line was forced to yield. Soon, however, the Erie Railway will be seeking admission, and the State will be in a position to demand the extra mileage for the tunnel. And there is no doubt that by a judicious and concerted action on the part of the manager of the tunnel and Troy and Greenfield Railroad and the president of the Fitchburg Railroad this plan can be carried into successful operation. The interests that now seem to be so divergent should be harmonized. There should be no animosity, but a mutual sympathy, and all should unite their efforts for the common weal. The business cannot be conducted satisfactorily, much less developed, until a more amicable condition of affairs exists. Prejudices that have existed should no longer have control or influence. The whole difficulty has arisen in consequence of a mistaken idea that the Fitchburg Railroad is not entitled to any consideration in consequence of its large expenditures, and that the "*new business*" so called should not contribute its proper share toward defraying the general expenses. What railroad company is there that has largely increased its business within five years that would be willing to place the expenses in this way upon the old business, especially when the new business bears a large proportion to the old, and yields a return far below the average rate? Such a course would largely increase the cost of doing the local business, and would necessitate an advance in rates. But it is admitted by all who have investigated the subject that the Fitchburg Railroad has incurred a loss in operating the Troy and Greenfield Railroad, and this is all that the Fitchburg Company claimed at the start. They decline to continue to operate the road at a loss, and offer to do so at cost. Is this a "fair and equitable" proposal or not?

I have thus endeavored to sustain the figures presented by me as showing the general result of the tunnel line business. While the negotiations are in progress I must be excused from making any further communication, and if the question is settled, as I earnestly hope it may be, a continuance of the discussion will be simply a waste of time.

W. H. LINCOLN.

THE HOOSAC TUNNEL CONTROVERSY.

We learn upon the best authority that the Fitchburg Railroad Company has determined to decline the offer of the state executive council for a reference to arbitrators of the compensation to be paid the State for the use of the tunnel and Troy and Greenfield Railroad. The objection of the Fitchburg managers is to the proviso annexed to the State's offer, to the effect that the tolls shall not be reduced to such an extent as to be less than the expense of maintaining the road and tunnel. They claim that they would be better off as at present, as under such an agreement as proposed the State might double-track the tunnel or undertake some costly improvement, or the tunnel might meet with a severe accident, and the burden would be upon the Fitchburg road. It is said that Manager Gardner is endeavoring to effect another proposal from the state authorities, or at least some modifications of the present one.—[Transcript.

June 12 1879

HOOSAC TUNNEL CONTINUED.

The Fallacy of Mr. Towne's Statement Exposed—Another Letter from Mr. W. H. Lincoln.

To the Editors of the Boston Daily Advertiser:—

Inasmuch as the Traveller has published a detailed statement made by Mr. George E. Towne, an accountant, sustaining the opinions of the governor and council, and has politely called upon me in an editorial to explain the disparity between the results thus obtained and those as given by me, I have felt bound to comply with the request. The accountant employed by the state officials to investigate the accounts with a view to produce a result that will appear to sustain their action has completed his labors, and rather unwillingly consented to present them to the public. Whether this reluctance proceeded from a fear of interrupting, by the startling revelations made in the report, the negotiations now in progress, or from a doubt in regard to the stability of the fabric he had reared, we are not informed. If no more difficult task is ever assigned me than that of disproving the statements, and showing the fallacy of the argument presented, the way of life will be comparatively smooth. It is a common remark that "figures won't lie," but nothing can be more untrue or deceptive than a result accomplished by a skilful management of figures upon a false assumption. If the formula is incorrect, all the results derived from it will also be false. I take issue not only with the facts upon which the results are predicated, but with all the various applications that are made in consequence of the manufactured results. They certainly do not exist in fact, however plausible to some may appear the theory. The main point of difference, and upon which the question turns, is the proper division of expenses as applicable to what is termed "new business."

When a railroad has for many years been preparing to conduct a new business upon a large scale, has constructed thirty miles of additional road, built large depots, leased and equipped another railroad, besides quadrupling its own equipment, rented a wharf and expended large sums of money upon it, surely it is rather a startling proposition to say at the outset, not only must all this money be considered as sunk, wiped out of existence, but the daily expenses in connection with these improvements and additions must also be obliterated from the account. And why? Because, forsooth, the money has been spent, you have got the leased road, depots, wharves, rolling stock and all the equipment on your hands, and if you don't go ahead and continue this business you will be in a worse predicament. This affords certainly great encouragement to a road to continue to develop a business that will require the expenditure of millions more to meet the public demand. And yet this is precisely the argument employed, and upon which the governor based his decision. There are few stockholders that would desire to inaugurate a *new business* for their road upon such conditions. It is a singular proposal to consider a business for which such special preparations have been made, and which has become the controlling business of the road as holding such relations to the entire business that a large proportion of the expenses must be assigned specially to the old business, increasing its cost beyond a reasonable amount, and reducing the cost of the new business to a sum far below the average cost of all the railways in the State. Not only is such reasoning unsound, but it is unjust. I will first consider a few points introduced in the alleged or supposed conversation between the reporter and the accountant.

It is stated that the commissions, advertising and car service belonging to the tunnel business and to no other business) should not be included as an expense of the business, and because the commissioners require that in making up the entire results of the business of the road only the *balances* shall be stated. Of course this does not alter the result in making up the entire business, but it will be readily conceded that in making up an actual cost of doing a special business all the expenses incurred on account of that business must be included, and *balances* on general business have nothing whatever to do with it. The result of this manifest error will appear shortly.

An imposing array of figures is also presented to show that a serious blunder has been made in the Fitchburg Railroad accounts, because the expenses charged to the Troy and Greenfield business east of Greenfield are greater than the average. A little reflection would have shown him that if a part of the expenses of a portion of the business is deducted, it necessarily adds in same proportion to the cost of the balance. The truth is, that the cost of conducting the Tunnel line business is greater on account of the large amount of car service, sums paid for commissions and line expenses. The plan pursued by the Fitchburg Railroad in making up the account has been to charge the average cost according to the miles run upon such items as cannot be kept separate, and upon such expenses as can be accurately defined to charge the actual sum paid upon the business. In this way the results as stated have been obtained, and it is believed they are substantially correct. It is hardly necessary to follow Mr. Towne through all his eliminations and meanderings, because the result obtained, if admitted, has nothing to do with the question. The profit made by the Fitchburg Railroad upon its local business is entirely foreign to the subject. It may be well, however, to state, as an illustration of the correctness of the result presented by Mr. Towne, that he puts the net income of the road during the year, leaving out of the account entirely the tunnel business, as $481,978, and goes on to show that this exceeds any previous income by the sum of $120,425, "*provided* Mr. Stearns's figures are correct."

The effect of this reasoning is to prove that, as the income from the local business could not have exceeded that of previous years such an amount, therefore the figures presented by Mr. Stearns are incorrect, and a portion of the expense charged for conducting the tunnel business should be transferred to the local. But the snug little sum of $93,854 paid out for interest is entirely left out. So that the result is greatly changed, and only serves to *corroborate* instead of disproving the figures presented by Mr. Stearns. This would leave a dividend of about eight per cent on the capital stock, and this was paid yearly for a number of years to the stockholders prior to the opening of the tunnel. But the most important part of the statement published in the Traveller is found in table marked C, the result of which proves that the net income to the Fitchburg Railroad on account of the tunnel business is $68,018; and as it that did not seem large enough, considering the mileage was nearly one-half the entire mileage of the road, he roughly estimates the profit as $100 000, which is about 50 per cent more than he is able to show by an adroit manipulation of figures. We will commence, then, with the table C.

In Group 1 are *added together* repairs of freight cars, $64,351, and *balance* of mileage of freight cars, $16,684, and it is represented as one item,—$81,035,—called "repairs and mileage of freight cars. This item, *balance of mileage*, shows the *difference* between the receipts and expenditures for car service on the Fitchburg and connecting roads, and does *not* show the amount paid for car service for the tunnel business, which was $51,696 actually paid other companies on this account. The amount charged the tunnel business is only $8789, and is therefore $52,957 too small. This alone will absorb nearly the whole amount of profit claimed. As it is money actually paid out, the correctness of the position can hardly be disputed.

In Group 2, Mr. Towne takes five items of expenditure for the year 1875. The last two, viz., expenses passenger and freight stations, are not correct, and are mere assumptions, as no such sums are given in the commissioners' report, or in the books of the railroad company. These two items amount to $128,093. It is claimed that the difference between these and the same items of expenditure for 1878 shows the cost of the tunnel business for these particular items in 1878. That this method is grossly erroneous can be shown thus:—

First. The Fitchburg Railroad in the year 1875 ran 58,654 train-miles upon the 37 miles of Troy and Greenfield Railroad. Assuming that these trains ran only once and a half this distance, or 57,981 miles over the 106 miles of the Fitchburg Railroad, it would make nearly 100,000 train-miles for the year 1875, on the tunnel business. No allowance whatever for the cost of this service has been made in these items, and the thought of making any allowance was dismissed with the statement that the tunnel trains were not running to *any extent*.

Second. No account is made whatever of the large decrease in the expenses of operating the road from 1875 to 1878; but the difference of expenses between these years is assumed as the *cost* of the tunnel business. It will be seen at a glance that a fatal error is here committed, for whatever proportion of decrease in expenses between the years 1875 and 1878, in consequence of lower wages, reduction in prices of materials, etc., should be added to cost of tunnel business. The total cost per mile run in 1875 for passenger and freight trains was $1 37, and the same in 1878 was 90.6 cents, or a decrease of 33.8 per cent. This percentage of decrease should have been deducted from the expenditures of 1875 in estimating the cost of the business of 1878, and clearly shows that Mr. Towne has charged the regular business with $72,814, which properly belongs to the tunnel business expenditures. I do not assume that this would produce a correct result, for in fact it would not, but the result is deduced from the false method of reasoning, and is exactly the conclusion that would be reached in following the same line of argument. It is a correct answer to the proposition, and is the legitimate result of a false method of reasoning.

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The next considerable item is for repairs of road, $77,459. The entire expenditure on this account is $119,485, and consists principally of expenses for labor in laying rails and ties, and in tamping and keeping the track in good surface. Another and much smaller portion is for the use of gravel trains used in the repair of the roadbed. Nevertheless, the tunnel business is only charged with its proportion of $42,026 of this item, leaving $77,459 entirely out of the account. With equal propriety the whole might have been omitted, for the necessity of repairs upon the road arises chiefly from the fact that loaded trains are passing over it. It is grossly unfair to charge to the tunnel business but $13,439 out of the total outlay of $119,485, when the total mileage of this business upon the Fitchburg Railroad is nearly one-half of the total mileage of the other business. Results obtained from such a process of figuring will not commend themselves to the public.

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The other items in Group 3 may be treated in the same manner, except the two small items for repairs of fences and removal of ice and snow, which would not probably be increased by additional business; still there is no reason why one portion of the business should be selected to bear it in preference to another. It should be borne in proportion to the business done. As the entire miles run for the tunnel business over the Fitchburg Railroad are about 33 per cent of the entire mileage over that road, it certainly is not enough to charge as the proportion due to tunnel business 25 per cent of the items in Group 3, but we will assent to it for the purpose of illustration. Reviewing some of the errors that have been exposed in table C, we find they amount to a large sum, and quite overthrow the results obtained.

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I have not considered at all in the final reckoning the 100,000 miles run in 1875 on account of tunnel business. The final advice given by Mr. Towne to the State is that the terms proposed by the Fitchburg Railroad be accepted. It is not apparent why all the statement should have been published, unless it was intended to put the Fitchburg Railroad in the position of demanding unjust terms, and under false representations accepting the bounty of the State. As I understand it, this railway company will accept no gratuity, and they repel the assertion that if the governor and council accede to the demands it will not be on account of any just claims for such concession.

If the State persists in its exactions, the tunnel line will certainly be disorganized. There is no doubt about that. The views expressed by the railroad commissioners in 1875 are applicable at this time, and their soundness cannot be questioned. They state that the Troy and Greenfield Railroad should be treated the same as any other piece of road in the line, and that is all that is now claimed. They say, further, that the tunnel itself should not be so considered. Having cost the State an immense sum of money, whatever benefit accrues in consequence of the saving in distance as compared with the Boston and Albany route, being seven miles shorter, should belong to the State. Certainly the roads west of the tunnel are not entitled to any benefit in the way of a larger proportion of the earnings in consequence of this expenditure by the State. The Fitchburg Railroad has always stood ready to contribute its proportion to the seven miles constructive mileage that belongs to the State, but the New York Central and its connections have persistently refused to grant it. The business of the tunnel line was actually stopped for six weeks on this account, and the line was forced to yield. Soon, however, the Erie Railway will be seeking admission, and the State will be in a position to demand the extra mileage for the tunnel. And there is no doubt that by a judicious and concerted action on the part of the manager of the tunnel and Troy and Greenfield Railroad and the president of the Fitchburg Railroad this plan can be carried into successful operation. The interests that now seem to be so divergent should be harmonized. There should be no animosity, but a mutual sympathy, and all should unite their efforts for the common weal. The business cannot be conducted satisfactorily, much less developed, until a more amicable condition of affairs exists. Prejudices that have existed should no longer have control or influence. The whole difficulty has arisen in consequence of a mistaken idea that the Fitchburg Railroad is not entitled to any consideration in consequence of its large expenditures, and that the "*new business*" so called should not contribute its proper share toward defraying the general expenses. What railroad company is there that has largely increased its business within five years that would be willing to place the expenses in this way upon the old business, especially when the new business bears a large proportion to the old, and yields a return far below the average rate? Such a course would largely increase the cost of doing the local business, and would necessitate an advance in rates. But it is admitted by all who have investigated the subject that the Fitchburg Railroad has incurred a loss in operating the Troy and Greenfield Railroad, and this is all that the Fitchburg Company claimed at the start. They decline to continue to operate the road at a loss, and offer to do so at cost. Is this a "fair and equitable" proposal or not?

I have thus endeavored to sustain the figures presented by me as showing the general result of the tunnel line business. While the negotiations are in progress I must be excused from making any further communication, and if the question is settled, as I earnestly hope it may be, a continuance of the discussion will be simply a waste of time.

W. H. LINCOLN.

THE FITCHBURG RAILROAD.

Result of the Conference Between President Stearns and State Officials—The Proposed Basis of Agreement Between the Corporation and the State.

The result of the conference between the governor, lieutenant-governor, the Hon. Thomas Russell, chairman of the board of railroad commissioners, and President William B. Stearns of the Fitchburg Railroad Company, who have recently been holding sessions at the state house, was announced yesterday in the shape of a proposed agreement between the corporation and the Commonwealth. The proposition, which is to be submitted to the executive council Monday next, and to the corporation for approval, is as follows:—

It is agreed between the governor and council and the Fitchburg Railroad Company: That three arbitrators shall be chosen by mutual agreement of said parties. That the present tolls for the carriage of freight and passengers by said railroad company over the 37 miles of the State's road now operated by said company shall remain in force, except that said arbitrators shall consider, and by a majority thereof determine, what rebate, if any, will enable the said company to operate said 37 miles of said road without loss, including therein all expenses properly chargeable to such operation; the time covered by said arbitration shall be from April 1, 1879, the date of said company's last settlement and payment of tolls into the treasury, to January 1, 1880; the governor and council being advised that they have no authority to consent to any agreement, directly or indirectly, taking from the state treasury any money from tolls already actually paid into it, and that such authority is alone in the legislature.

Said rebate so determined shall be allowed to said company; but, in any event, no rebate or allowance shall be so great as to bring the amount of tolls paid to the Commonwealth during the present calendar year less than the expenses incurred by it during that time in the operation and maintenance of the said 37 miles, except such expenses as it may incur over and above 37-44 of the $80,428 30 expended by the Commonwealth in operating its said road for the year ending September 30, 1878; it not being intended to subject said railroad company to the risk of making the State good against the possibility of unreasonable operating expenses and maintenance on the part of said State, and those of last year being regarded as a fair basis. It is understood and agreed that in no accounting between the Fitchburg Railroad and the Commonwealth shall the money paid into the treasury of the Commonwealth up to April 1, 1879, by the said company be in any way reduced or impaired.

It is also agreed that, in case any other railroad company shall enter upon and perform any business over that portion of the Troy and Greenfield Railroad run by the Fitchburg Railroad Company, said other railroad company shall account for its proportion of the amount to be retained as above, to be determined in case of disagreement, by said arbitrators. Said reduction or rebate to be continued after January 1, 1880, until one month's notice by either party, or until action in the matter by the legislature.

It is further agreed that said arbitrators shall at once decide, as near as they can, what expenses—an accurate account of which shall be kept and rendered—will be considered in the matter of cost; and, upon report thereof, the manager is authorized to allow said company to retain such a percentage of the gross earnings as heretofore made up as may be sufficient to cover the rebate, if any, until the award of the arbitrators is made, and the balance shall then be adjusted between the parties. In case said manager and said company cannot agree on the amount of said percentage to be so retained, it shall be fixed by said arbitrators.

THE TOLL-GATE PLAN.

An able and elaborate report by the Railroad Commissioners upon the rates over the Troy & Greenfield Railroad and through the Hoosac Tunnel, was presented to the governor and Council yesterday. We have not seen the report, but gather from remarks made by one of the parties interested that the commissioners recommend the adoption of the pro rata system in place of the toll gate, or system of fixed rates. The principal argument in favor of this change is that the constant fluctuation in rates over connecting roads necessitates a policy on the part of the State that shall meet this fluctuation and offer the same facilities as those afforded by the Boston & Albany R. R. There will doubtless be a strong opposition to the change. The reasons offered by the Railroad Commissioners seemed to favorably impress the members of the council. The report is now in the hands of the Attorney General for his opinion on legal questions involved.

Hoosac Tunnel—Temporary Arrangement for its Management.

At a meeting of the Executive Council held Monday an order was passed which gives to the Fitchburg Railroad the power to manage the Hoosac Tunnel and Troy and Greenfield Railroad property until January 1, 1880. The following is the full text of the important document:

Ordered, That the manager of the Troy and Greenfield Railroad and Hoosac Tunnel be authorized to execute the following agreement with the Fitchburg Railroad Company:

It is agreed between the Governor and Council and the Fitchburg Railroad Company that three arbitrators shall be chosen by mutual agreement of said parties; that the present tolls for the carriage of freight and passengers by said railroad company over the 37 miles of the State's road now operated by said company shall remain in force except that said arbitrators shall consider and by a majority thereof determine what rebate, if any, will enable the said company to operate said thirty-seven miles of said road without loss, including therein all expenses properly chargeable to such operation; the time covered by said arbitration shall be from April 1, 1879, the date of said company's last settlement and payment of tolls into the treasury to January 1, 1880, the Governor and Council being advised that they have no authority to consent to any agreement, directly or indirectly, taking from the State Treasury any money from tolls already actually paid into it, and that such authority is alone in the Legislature. Said rebate so determined shall be allowed to said company, but in any event no rebate or allowance shall be so great as to bring the amount of tolls paid to the Commonwealth, during the present calendar year, less than the expenses incurred by it during that time in the operation and maintenance of said 37 miles, except such expenses as it may incur over and above 37-44ths of the $80,428 34 expended by the Commonwealth in operating its road for the year ending September 30, 1878, it not being intended to subject said railroad company to the risk of making the State good against the possibility of unreasonable operating expenses and maintainence on the part of said State, and those of last year being regarded as a fair basis. But it is understood and agreed that in no accounting between the Fitchburg Railroad Company and the Commonwealth shall the money, paid into the Treasury of the Commonwealth up to April 1, 1879, by said company, be in any way reduced or impaired. It is also agreed that in case any other railroad company shall enter upon and perform any business over that portion of the Troy and Greenfield Railroad run by the Fitchburg Railroad Company, said other railroad company shall account for its proportion of the amount to be returned as above, to be determined in case of disagreement by said arbitrators, said reduction or rebate to be continued after January 1, 1880, until one month's notice by either party, or until action in the matter by the Legislature. It is further agreed that said arbitrators shall at once decide, as near as they can, what expenses, an accurate account of which shall be kept and rendered, will be considered in the matter of cost, and upon report thereof the manager is authorized to allow said company to return such a percentage of the gross earnings as heretofore made up as may be sufficient to cover the rebate, if any, until the award of the arbitrators is made, and the balance shall then be adjudicated between the parties. In case said manager and said company cannot agree on the amount of said percentage to be so returned, it shall be fixed by said arbitrators.

THE TUNNEL CONTROVERSY.

A Conference Between the State Authorities and a Committee from the Board of Trade—No Agreement Arrived At.

The committee appointed by the board of trade to examine into the differences between the state authorities and the Fitchburg Railroad Company concerning the Hoosac tunnel business, called upon the governor yesterday morning and held a conference relating to that subject. There were present, besides the committee, the governor, the lieutenant-governor, Charles Francis Adams, jr., chairman of the railroad commissioners, and State Manager Gardner. The conference resulted in little save an interchange of views regarding the working of the Tunnel line. The governor adhered to his previous opinion that the State should incur no additional expense on account of this line. As for the tolls, which the Fitchburg Company claims are excessive, the governor was not disposed to let this question stand in the way of that company. It was hinted, if not expressed, that the excessively low rates, and not the high tolls, had caused the loss to the Fitchburg road. If this company should recede from its contract, it was not conceded that the Tunnel line would be disorganized. As the progress made during the interview was hardly satisfactory, Manager Gardner will meet the committee of the board of trade together with President Stearns of the Fitchburg Railroad this morning at ten o'clock and hold another conference. Mr. Gardner will act in behalf of the State, under certain instructions from the governor, but it will be impossible for him to take any decisive action until President Stearns shall have first stated what he proposes to do. The result of this conference will be embodied in a report which the committee will make to the board of trade this afternoon. It is doubtful if any progress will be made unless a clearer understanding is reached than at present exists.

Freight Business of the Troy and Boston Railroad for August, 1878.

The total number of cars going east over the Troy and Boston railroad for the month of August was 4,659. The number coming west from points east of Troy was 1,666. For the corresponding month of 1877, the number of cars going east was 2,093, or 1,566 cars or 50½ per cent. less than this year. The number going west in the same month was 1,188, or 478 or 40 per cent. less. The number of loaded cars passing both ways over the road in August, 1877, was 4,281; for August, in 1878, 6,325, a gain of 2,044 cars or about 47¾ per cent. The gain of business compared with the month of July, 1878, was 955 loaded cars.

THE TUNNEL ROUTE.

Cost of the Troy and Greenfield Road.

Gross Errors in General Butler's Figuring.

How the State's Loss is More Than Compensated.

To the Editor of the Herald: In his letter of acceptance, responsive to numerous subscription papers emanating from himself, asking that he would enter the field as a candidate for Governor, General Butler enumerates various reasons why he is the proper man, and, among other pertinent topics, he refers to the cost of the Troy & Greenfield Railroad to illustrate the mal-administration of public affairs. If the general had stated facts, no one would have had cause to complain. We do not wish to judge him harshly, and it may be that his obliquity of vision prevents him from adding columns of figures correctly; but when he makes mistakes of millions in a single statement, he ought to see that it is his duty, if he expects to have the slightest hold upon public confidence, to employ the eyes of his secretary or some competent accountant to look over his notes and correct them, so as to retain, to himself at least, the credit of a desire to speak the truth. I am moved to these reflections by the statement in General Butler's letter that "the net cost of the Troy & Green field Railroad to the State, on the first of January last, was $18,205,000, and that all that has been done by the State could be

PUT UNDER CONTRACT TODAY

and be done again for one-third the sum; and the enterprise will never net 1 per cent. if it had cost only that." When the general gets hold of figures, unless they are "figures of speech," he always becomes bewildered. Figures of arithmetic always baffle him. He learned the rule of addition when a boy, and then made a stand upon the axiom in Daboll's arithmetic:

> Multiplication is vexation,
> Division is as bad,
> The rule of three does puzzle me,
> And practice makes me mad.

As a consequence of his neglect to learn how to cipher, the general's speeches are always unreliable, and it is not surprising that he stated the indebtedness of the State, on account of the tunnel, three and a half millions larger than it is, by neglecting to subtract the amount of $3,403,740, which stands in the sinking fund, to the credit of the loan. The misstatement of only three millions and a half may appear of small account to General Butler, but, in the eyes of all thoughtful people, it shows how utterly reckless and unreliable he is. The general says further, "without fear of contradiction, that all that has been done by the State could be put under contract today for one-third that sum, and the enterprise would never net 1 per cent. if it had cost only that." Here, again, he betrays his woeful ignorance of what is going on around him. One-third of the net

COST OF THE TROY AND GREENFIELD ROAD,

including the tunnel, is $5,074,000. Last year (its second year) the tunnel earned $100,000, which is over 1½ per cent. on $6,000,000. During the present year the receipts have largely increased and, if the present ratio of increase in the business is sustained, the income will be not less than 3 per cent. on $6,000,000. But there are other matters connected with the subject of more vital interest to the welfare of the people of Massachusetts than the prompt payment of dividends to the State upon the tunnel loan. As Carlyle has well said, "There are some other considerations in this world besides cash payment," and these should be considered in connection with the vast outlay which the State has made to open a new avenue to the West through the Hoosac Tunnel and Troy & Greenfield Railroad, which are the property of the State. Most certainly all the advantages of the enterprise should be weighed against the cost, in whatever shape presented. Whatever apparent loss the State has sustained from its investment the probability exists that it has been more than made good by the increase of taxable property, and the stimulus which the completion of the tunnel has given to the commercial, manufacturing and agricultural enterprises of all northwestern Massachusetts; to say nothing of the metropolis. Last Wednesday there was a

CONVENTION OF THE CHAIR-MAKERS

of that section of the State in Fitchburg for the purpose of agreeing upon a uniform scale of prices for certain standard articles. The business is carried on by numerous firms in the towns of Gardner, Templeton, Athol, Ashburnham, Westminster, and, to some extent, in other places, and it gives employment to thousands of men, women, and children, and also to a very large capital. In Gardner, a single firm, at the head of which is Hon. Levi Hayward, manufacture and sell chairs to the amount of $1,000,000 annually, and other firms in the town do as much more. The chairs go to all parts of the world; to both coasts of South America, to the East and West Indies, to New Zealand, Australia, and Africa, and also to all the United States and Canada. Before the completion of the tunnel Mr. Hayward informs me that the stock of native lumber was well nigh exhausted, and supplies could only be procured at reasonable rates by a circuitous route from New York and distant Western States, at a cost for transportation so onerous as to disable him from successfully competing with the manufacturers who lived nearer to their supplies of raw material. The opening of the tunnel route has removed this difficulty. It has given them cheap freights for their lumber and their manufactured products, and stimulated business to such an extent that there are no people who are willing to work who do not have

CONSTANT EMPLOYMENT.

Similar statements were made by other leading manufacturers in the towns referred to, and all agreed that the tunnel route has increased the value of taxable property in the Commonwealth, and given an impetus to business, so that the hard times have scarcely been felt in that section of the State. General Butler says that the tunnel could be contracted for now at one-third the cost it could have been contracted for when it was constructed, but he omits to state that the contracts were made in the era of inflation, for which he is such an ardent admirer, and at a time when but little was known of the present methods for performing such work; but he should not forget to mention all his arguments in opposition to the policy of the enterprise—that, whatever it cost, [illegible] was expended in giving employment to laboring men of the State, at high [illegible], for nine years in succession, to the number of 400 or 500, and that, even if the work is perfectly valueless, the contract for its performance was entirely in harmony with his recent effort in Congress to appropriate $600,000,000 for the sole purpose of enabling idle and lazy men to obtain support out of the taxation of those who had something to do and saved from their earnings more than they spent.

H. G. A.

Fitchburg, Sept. 6, 1878.

Boston Journal.

FRIDAY MORNING, SEPT. 13, 1878.

The Hoosac Tunnel and its Prospects.

In General Butler's letter accepting his own nomination as a candidate for the Gubernatorial chair, he ventures the opinion that the Hoosac Tunnel will never return to the Commonwealth one per cent. upon a cost of even six millions of dollars. Now the chosen agent of our would-be Chief Magistrate appears to have examined the last annual report of the manager of the Tunnel with the same carelessness that other State documents were examined by him. In the report referred to he will find that the net receipts from the forty-four miles of road and tunnel under the charge of the manager was $97,905; nearly equal, as the manager claims, to five per cent. upon two millions of dollars. This, for the second year's business of the tunnel, considering the condition of the country and of railroad affairs generally, was an excellent result. As we now have the result of the first six months' working of the tunnel for the present year, we invite General Butler's attention to a comparison of the business with that of the two former years. For the six months from January 1 to July 1, the present year, the net earnings were $41,775; while for the same period in 1877 the net earnings were $26,943, and for the first six months of 1876, only $6192.

If this ratio of increase continues for some ten years, and we then find Butler still an anxious, but unsuccessful candidate for the Gubernatorial chair, there is but little doubt that we shall find our doughty warrior claiming that away back in 1851 or '2 he was the only and original simon pure Tunnelman. The first six months of the year do not show as well for net earnings as the balance of the year, for the reason that the winter and spring expenses are heavier than during the summer and fall months, while the receipts are usually larger during the last half of the year. The manager states that the rains have been so frequent and the rain-fall so great during the spring and summer as to have caused large expenses for road repairs, which, upon this road, must for some years be larger relatively than upon roads in other sections of the State, owing to the mountainous country through which it passes and the peculiar nature of the clay soil of many of its cuts. We think the manager pursues the right policy in endeavoring to keep the road and tunnel in thorough order and repair, rather than in running the risk of paying heavy damages resulting from accidents caused by an unwise economy, and taking the chances of accidents when repairs seem necessary. During the six months there was not a single accident to trains upon the whole main line.

The total receipts for the six months were $83,937; for the same time in 1877, $51,310. Total expenses for six months in 1878, $42,162; for the same period in 1877, $24,367. This year the expenses include the cost of repairs, etc., of the seven miles from North Adams to State Line, the expenses of which for three months last year were paid by the Troy and Boston Railroad. The percentage of expenses to receipts was the same for both years, namely 50 per cent. The total number of loaded cars passing through the tunnel for the six months was 23,887 in 1878 and 14,726 in 1877. It should be remembered in connection with the earnings of the tunnel that for the six months of last year the tolls upon passengers and freights was a fixed rate per ton and per passenger, while for this year the tolls are flexible, the charge being two-thirds of the gross receipts of the operating roads. As the through rates have been very low, the income has been much smaller than it would have been with the usual rates upon through business, or with the rates now in force.

We have hoped that General Burt's new connection with the Erie Railway would have been in operation and helping to increase the traffic through the Tunnel for the last half of the year. Its connection from the Delaware and Hudson Company to Eagle bridge is now nearly completed, as well as the third rail connection of the end from Buffalo to Binghampton. But the course taken by the Troy and Boston Railroad has forced the Boston, Hoosac Tunnel and Western Railroad to construct a new line from Eagle bridge to the Massachusetts State line, through Vermont, some 15 miles. Gen. Burt promises to have this line in running order by Dec. 1, so that next year we may expect a large increase of traffic via this line, as well as by way of the present connection. The Erie Railway seems to be thoroughly alive to the advantage of having an all rail connection with us, and to participate in a traffic the control of which has in a great part made its rival, the New York Central, what it is. We trust though that the business that the new connection brings us will be new business. So far the traffic through the Tunnel does not seem to diminish the business of its rivals, the Boston and Albany reporting this year a larger movement of through freight than ever before. This increase in the through movement is an agreeable feature in our commercial history, and augurs well for the future, when the Tunnel connections, both east and west, will be more thoroughly developed than at present. In relation with the developments of the new connection we have so good authority as W. H. Vanderbilt for stating that the Erie has ordered 2000 new freight cars, in large part presumably for the Tunnel business. These cars, in addition to the very large equipment of the Erie and North Shore Dispatch line, and the Great Western Dispatch line, which operate over nearly all the principal railways of the South and West, cannot fail to bring a large accession of business over the Tunnel line, and in connection with the constantly increasing fleet of steamships coming to us will greatly increase our foreign commerce. While no new railroad has been built from Mechanicsville to Schenectady under the contract between Gen. Burt's road and the Delaware and Hudson Company, the latter company, in its twenty-year contract with the former, agrees within ten years to construct a new line between Schenectady and Mechanicsville, and until such line is built the Delaware and Hudson Company is to reckon its mileage on through traffic, which will go via Ballston, the same as if the new line was built and in operation, thus practically bringing Schenectady within about 200 miles of Boston. In the passenger contracts between the Erie, Delaware and Hudson, and Boston, Hoosac Tunnel and Western Railroads, provision is made for at least two through trains daily from Boston to Buffalo via Binghamton.

One of the most important of the conditions of the contract between the three parties mentioned above provides that in case General Burt's road shall not be able to secure for itself and connections fair and ample accommodations over the Fitchburg Railroad, then it is agreed that the contracting parties will co-operate in procuring another and independent line from the tunnel to Boston. This agreement, together with the wealth and enterprise of the Board of Directors of the Boston, Hoosac Tunnel and Western Railroad should be an incentive to the Fitchburg Railroad to be fully prepared to accommodate the large business certain to come through the tunnel as soon as the new connection is open and ready for business. It should bear in mind the fact that this connection will not be in every respect a new one, with new agencies to establish, as the present Hoosac Tunnel line was, but that it will come into active work at once with its thousands of agencies in all parts of the country. We fear that the Fitchburg Railroad management will not be equal to the occasion. We opposed the city's expending a million dollars upon the widening of Commercial street last spring, as the only call to widen the street was to enable the Fitchburg Railroad to reach Constitution wharf. We took the ground then, and are of the same mind now, that the wharf is in no sense adequate to accommodate the business we have reason to expect via the tunnel. We are led to take this view from a knowledge that the 33 acres of the wharf accommodations of the Boston and Albany at East Boston are now fully occupied, and that they expect to occupy 30 acres more upon the South Boston flats. The Erie Railroad has 284 acres and the Pennsylvania Central has some hundreds of acres upon the North river in New York harbor. There is a marked contrast between the railroad accommodations in Philadelphia and Baltimore, and the four or five acres the Fitchburg Railroad proposes to provide for the tunnel business upon our deep water. It wholly fails to be commensurate even with the half a million of dollars which the city has already appropriated for the widening of Commercial street. In this connection we would like to ask the friends of this street widening scheme an answer to the question, If the Lowell Railroad can load a steamer at Constitution wharf with 70,000 bushels of grain, what is there in the present condition of Commercial street that prevents other roads, the Fitchburg for instance, from loading other steamers at the same wharf with similar cargoes?

The Hoosac Tunnel Line.

The vice president of the Erie railroad and the president and directors of the Hudson and Delaware Railroad company have recently made a personal inspection of the Hoosac Tunnel line, including the Fitchburg, Vermont and Massachusetts and the Troy and Greenfield railroads, and particularly of the terminal facilities of the Fitchburg road in Boston. President Stearns and a committee of the directors of the Fitchburg road have also been over the property of the Erie Railroad company and of the Hudson and Delaware Canal company. As a result of these investigations it is said that negotiations are now pending between the three corporations concerning through freight and passenger traffic.

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THE HOOSAC TUNNEL.

The Suit in Equity Brought by the Troy and Greenfield Railroad Dismissed by the Supreme Court.

A decision has been rendered by the supreme court in the Hoosac tunnel case in favor of the Commonwealth. The case was a suit in equity brought by the Troy and Greenfield Railroad Company for the redemption of the Hoosac tunnel. The Troy and Greenfield Railroad Company in pursuance of the provisions of the act of April 5, 1854, made a mortgage of its road to the Commonwealth to secure the payment of $2,000,000, which was advanced by the Commonwealth to enable the road to construct the tunnel. Subsequently an act of the legislature was passed April 28, 1862, for the more speedy completion of the tunnel, wherein provision was made for the surrender of the road to the Commonwealth under the mortgages for the completion of the road and tunnel by the Commonwealth. In pursuance of this act the Troy and Greenfield Railroad surrendered to the Commonwealth its property and the Commonwealt has since remained in possession of it. The plaintiff now brought this bill in equity to redeem the road and tunnel, asking for an account and that the plaintiff might be permitted to redeem the mortgaged property upon payment of whatever might be found due on the mortgages. The Commonwealth filed a demurrer to the bill, alleging among other things that the court had no jurisdiction of the case. Arguments were heard upon the demurrer in the month of March last. On the part of the Commonwealth it was contended that no suit or proceeding at law or in equity could be promoted against the Commonwealth unless the same was authorized by the consent of the Commonwealth, expressed in unequivocal terms in some statute in which its legislature has given its consent, and that Gen. Sts. c. 140, §§ 45, 46, 47 and 48 did not give jurisdiction. On behalf of the Troy and Greenfield Railroad it was contended, upon this point, that a sovereign State can, by its own laws, provide that it may be impleaded in its own court in any cause in the same manner as any other party, and that Massachusetts has thus provided where the relation of mortgagor and mortgagee exists between any other party and itself.

The court took the case under advisement. A decision has now been given sustaining the demurrer and dismissing the bill. It is held that "the court has no jurisdiction to entertain this suit against the Commonwealth." E. R. Hoar, S. Dickson of Pennsylvania and D. W. Gooch appeared for the Troy and Greenfield Railroad, and George Marston, attorney general, for the Commonwealth.

VANDERBILT AND THE TUNNEL.

A Troy despatch states that previous to Vanderbilt's purchase of 2500 shares of the stock of the Troy and Boston road his sister, Mrs. Clark, had obtained 1000 of these shares. This was done so that no notice would be taken of her brother's action. After the same plan Mr. Augustus Schell also procured 1000, while Mr. Vanderbilt personally held a similar amount, making, in all, 5500 shares that he had under positive control. Mr. Daniel Robinson has heretofore been the manager of this road, and holds about 2000 shares. It was agreed that, if Mr. Vanderbilt would buy the last 2500 shares at fifty cents, instead of twenty-five, the previously quoted rate, that three-fourths of the other stock would be pledged to his support and dictation. A paper having been circulated to that effect, and signed by enough to allow Mr. Vanderbilt to control three-quarters of the votes of the stockholders, his name has been put up as president of the road in place of Mr. D. Thomas Vail. An appointee of Mr. Vanderbilt's will hereafter manage the road and replace Daniel Robinson. This transfer gives the New York Central people forty-eight miles further of road toward Boston and will enable them to exact better terms from the Boston and Albany, besides giving them nine points of possession with which to combat the Erie and the Boston people. The Delaware and Hudson Canal Company are strongly interested in the completion of the Erie outlet east, because it would give the former a valuable channel to send coal from their mines direct to New England, and which no other company enjoys. This would prove a valuable desideratum indeed, and President Dickson very hopefully referred to it in his last annual report. But to complete their hopes in this direction and foster the Erie's project, the Delaware and Hudson managers will run a great risk, in that all the traffic to their Saratoga division, which now comes over the Vanderbilt lines from the West, East and South, will be jeopardized, because the latter has threatened, in case Mr. Dickson does not withdraw his aid from the Erie in this struggle, that he (Vanderbilt) will construct an independent route from Schenectady to Saratoga and take all the summer travel from the Rensselaer and Saratoga Railroad, now leased by the Delaware and Hudson Canal Company. Thus far, however, these threats have been unheeded by those against whom they were directed. Whatever may be the outgrowth of this competition, this despatch further states, the Massachusetts treasury will be benefited, and the greatest drain on the public finances be rendered self-sustaining, if not profitable. The State owns the tunnel now, and will undoubtedly encourage all new-comers for the use thereof, because rentals must swell the income. The State has already appropriated $170,000 to build approaches and suitable depots for the Erie's route, hence Mr. W. H. Vanderbilt may expect no slight difficulty in attaining that degree of success that his father did in three similar conflicts, when Erie attempted to obtain a terminus at Boston and New England. He has, however, in the possession of the Troy and Boston Railroad, a channel to prevent Erie from deriving much comfort or profit from the desired route, by cutting the rates.

What is the Hoosac Tunnel Line?

In view of the public interest in the subject, the question may well be asked, what is the Hoosac Tunnel Line? In all the legislative discussions, and, until recently, those that have been had in the newspapers, reference has invariably been had, in speaking of the Tunnel line, to the railroads of the state running from Boston to North Adams, or from Boston to Troy; but, in the present discussiod, reference is intended to quite a different thing, with which the state, in fact, has had little or nothing to do. The "Hoosac Tunnel Line" to which the phrase now refers is not a railroad at all, but an association of railroad managers, and includes some twenty-five railroad corporations, which own their respective roads, and contribute each a certain number of cars for freighting purposes between the various sections of country over their own roads and through the Hoosac Tunnel. There are in the line six New England roads, namely, Fitchburg, Boston & Maine, Eastern, Boston, Barre & Gardner, Providence & Worcester, and the Troy & Greenfield. There are, in addition to these, about twenty western roads in the association, and altogether these roads have contributed nearly six thousand cars, expressly for the use of the line. Mr. Charles S. Tappan of Rochester, N. Y., is at present manager of the line. The association —the Hoosac Tunnel Line—grew up spontaneously, in a business way, without engineering, and when put into actual operation, proved to be better than anything that had been previously suggested. It commenced business, in a limited way, in 1875, and has gradually grown to the proportions stated, and extending through the western states in all directions. Each company, of course, is interested in the business, provides its own cars, and participates in the profits, if there are any, that result from the enterprise. The statements that have been published in the reports of the manager of the Hoosac Tunnel show how largely the business of the line has been increased, and it is very well known that so far, in consequence of water navigation and competition, the profits have been very small. Still the business done is very large, and is increasing at various points. Such is what is now known as the Hoosac Tunnel Line, and the steamships which are weekly loaded at Boston wharves by means of the Union Freight Railroad, are, in fact, a continuance of the Hoosac Tunnel Line across the Atlantic ocean. It is certainly to be hoped that no action of the Fitchburg Railroad Company, or any other influence, will be allowed to break up or interrupt this line.

THE FITCHBURG AND THE TUNNEL.

To the Editor of the Transcript: We begin now to see why the Fitchburg Railroad managers opposed the Massachusetts Central Railroad, and spent tens of thousands of dollars through the lobby to prevent the road (which they knew would compete for the Tunnel business) being finished. If the Fitchburg Railroad could defeat this rival road from coming into Boston, they could dictate terms to the State; the only way for the State and Board of Trade, and other friends of the Tunnel route is to give all the aid they can to the Massachusetts Central road. Here is a road two-thirds graded from Northampton to Boston, running through twenty-one towns, which can be finished for a little over a million of dollars; the branch to connect with the Tunnel can be built for a few hundred thousand dollars; the road has cost $2,700,000. The stockholders will release their stock, and all the bonds outstanding can be purchased at a nominal price; the completed road from Boston to Northampton and the Tunnel, including the price of the bonds, will not exceed two and one-half millions of dollars, less than one-half the cost of the Fitchburg route to the Tunnel. All admit that this road, when finished, will, on its local business alone, pay eight or ten per cent. on what it can be bought and finished for, and when finished to the Tunnel will be ten miles nearer Albany than by the Boston & Albany Railroad. This road can be finished in twelve months, then the Fitchburg road could retire at their leisure. Millions of dollars are sent West monthly per railroad, and here in our own State no one will even look at the tempting offers made by the Massachusetts Central to complete the road. Any party that will come forward and purchase the bonds of this road, which, as I said before, can be had at a nominal price, and complete the road, will get back two dollars for every one paid out in less than two years. MERCHANT.

B.P.L. Bindery.
MAR 2 1900